

Results Team Summaries

Every activity provided by government is important to someone. But given our current economic situation, Washington must deliver only those programs that form the heart of state government. This means identifying government's most critical activities.

The following pages contain a summary of each result team's work – stated in their own words. Behind these summaries, lie many additional pages that specify which activities of government contribute most to each result, and which contribute more than others.

All activities were on the table – across function, across-agency, across result. To the extent possible, teams made choices based on evidence, or set a strategy to obtain evidence needed to guide future decisions. The teams were not bound by any rules or politics, so they were free to recommend any feasible solution to reshape our state government. Their only limit was that they had to rely on existing financial resources – so their mission, in short, was to get better yield.

The following pages contain for each team –

- The result
- Their indicators
- Key trends
- A map of factors that influence, or drive, the result
- A purchase plan summary
- Key innovations
- Key purchases other teams made that also contribute to their result

Note: This is a single-sided document and is best distributed and viewed electronically.

Contents

1. Increase Student Achievement in Elementary, Middle and High School
2. Improve the Quality and Productivity of the Workforce
3. Deliver Increased Value from Post-secondary Learning
4. Improve the Health of Washingtonians
5. Improve the Condition of Vulnerable Children and Adults
6. Improve Economic Vitality of Businesses and Individuals Throughout the State
7. Improve the Mobility of People, Goods, Information and Energy
8. Improve the Safety of People and Property
9. Improve the Quality of Washington's Natural Resources
10. Improve Cultural and Recreational Opportunities Throughout the State

Appendices

- A. Tools for Results
- B. Enterprise-wide Strategy

1. Increase student achievement in elementary, middle and high schools.

Result: Increased Student Achievement in Elementary, Middle and High School

Allocation: Total \$15.599 billion State Share \$11.699 billion

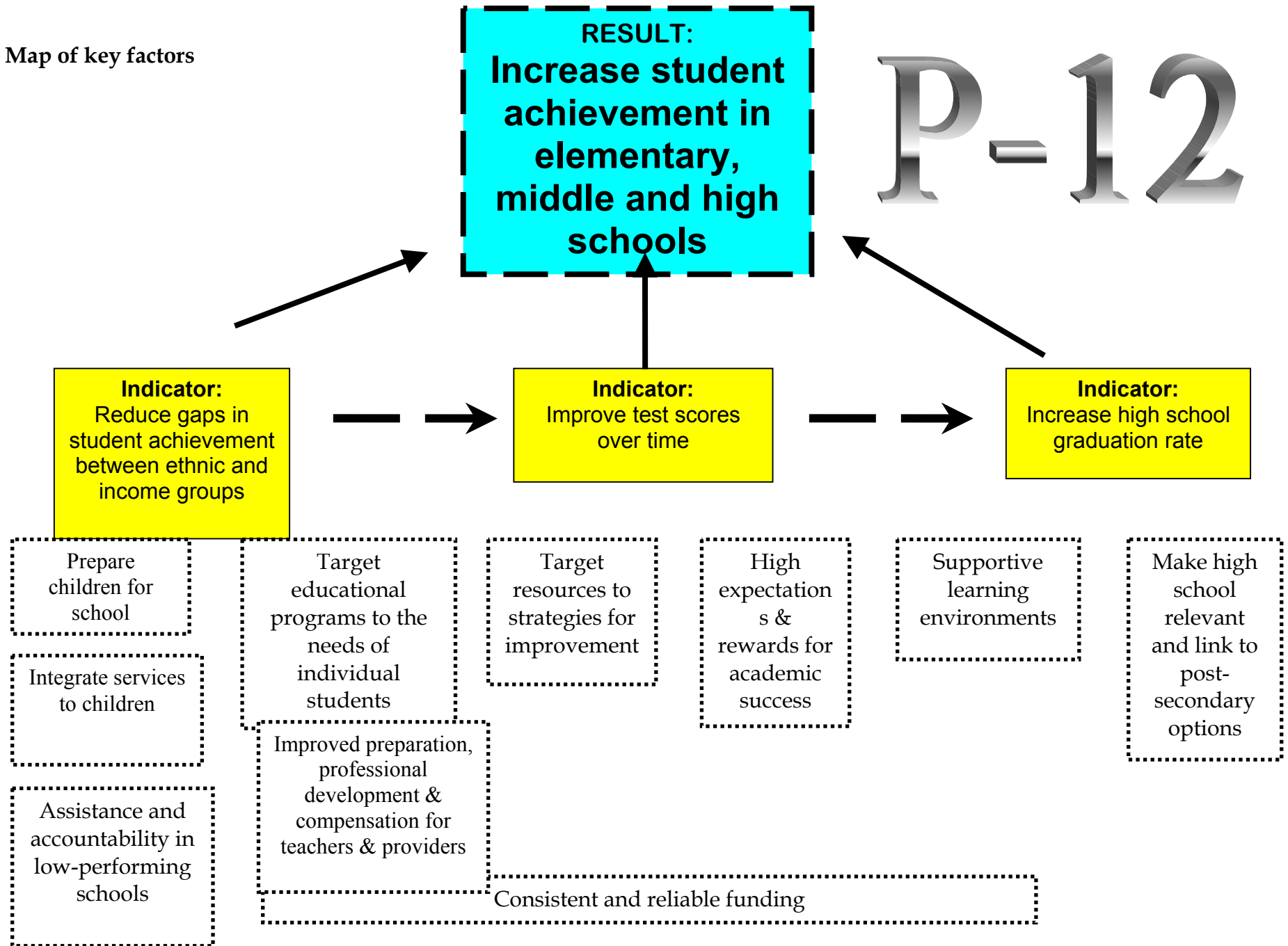
Indicators:

- Reduce gaps in student achievement between ethnic and income groups
- Improve test scores over time
- Increase high school graduation rate

Key trends:

- Student achievement has been increasing steadily, but slowly
- If the Certificate of Mastery was a graduation requirement today, only 30% of high school students would be on track to graduate on time
- The state faces a large and persistent gap in achievement levels between white students and other ethnic groups
- Washington's high school graduation rate is 67%. For African American, Latino, and Native American students, graduation rates are even lower.

Map of key factors



Key Innovations/ Changes

Major innovations or changes from current practice.

- **Bigger investment in early childhood education**
Significant additional investment would be made in expansion of preschool programs and in improvements to child care. “Readiness for Kindergarten” standards to help inform parents and providers.
- **Funding targeted more to identified needs**
The purchase plan would target state funding more than current practice. The scheduled increase in I-728 class size funding would be redirected to more focused priorities, though current levels of I-728 funding would remain. Some state funding allocations that tend to be across-the-board allocations to all schools are redirected to focused programs targeted at addressing challenges in schools.
- **More assistance and accountability for low performing schools**
Greatly enhances state assistance and reform of elementary, middle and high schools.
- **Providing time for teachers to collaborate within schools on a consistent basis**
Funding for “after-school” programs to provide weekly time for teacher collaboration, planning and professional development school-wide.
- **Proposes overhaul of the teacher pay system**
Bases teachers pay on demonstrated skills and knowledge to create incentives for greater performance and responsibility, as opposed to rewarding years of experience and post secondary education credits.

Purchase Plan Summary

Result: Increased Student Achievement in Elementary, Middle and High School	
Key Strategies (and elements):	\$ in millions
1. Focus base funding on increasing student achievement Eliminate \$503 million of discretionary base funding to reprogram to new strategies/major purchases Purchase remainder of the 2003-05 K-12 maintenance level budget Purchase current Early Childhood Education and Assistance Program Purchase existing schools for deaf and blind children	\$10,659
2. School ready kids and families Prepare children for school Integrate services to children	\$128
3. Student ready teachers Improve preparation, professional development, and compensation for educators Target educational programs to needs of individual students	\$499
4. Learning ready schools Assistance and accountability for low performing schools Target resources to strategies for improvement Create more supportive learning environments	\$403
5. High school connections to college and jobs Rewards and incentives for academic success Make high school relevant and linked to post-secondary education options	\$9

2. Improve the quality and productivity of the workforce.

Result: Improve the quality and productivity of the workforce.

Allocation: Total \$3.496 Billion State Share \$ 3,146 Billion

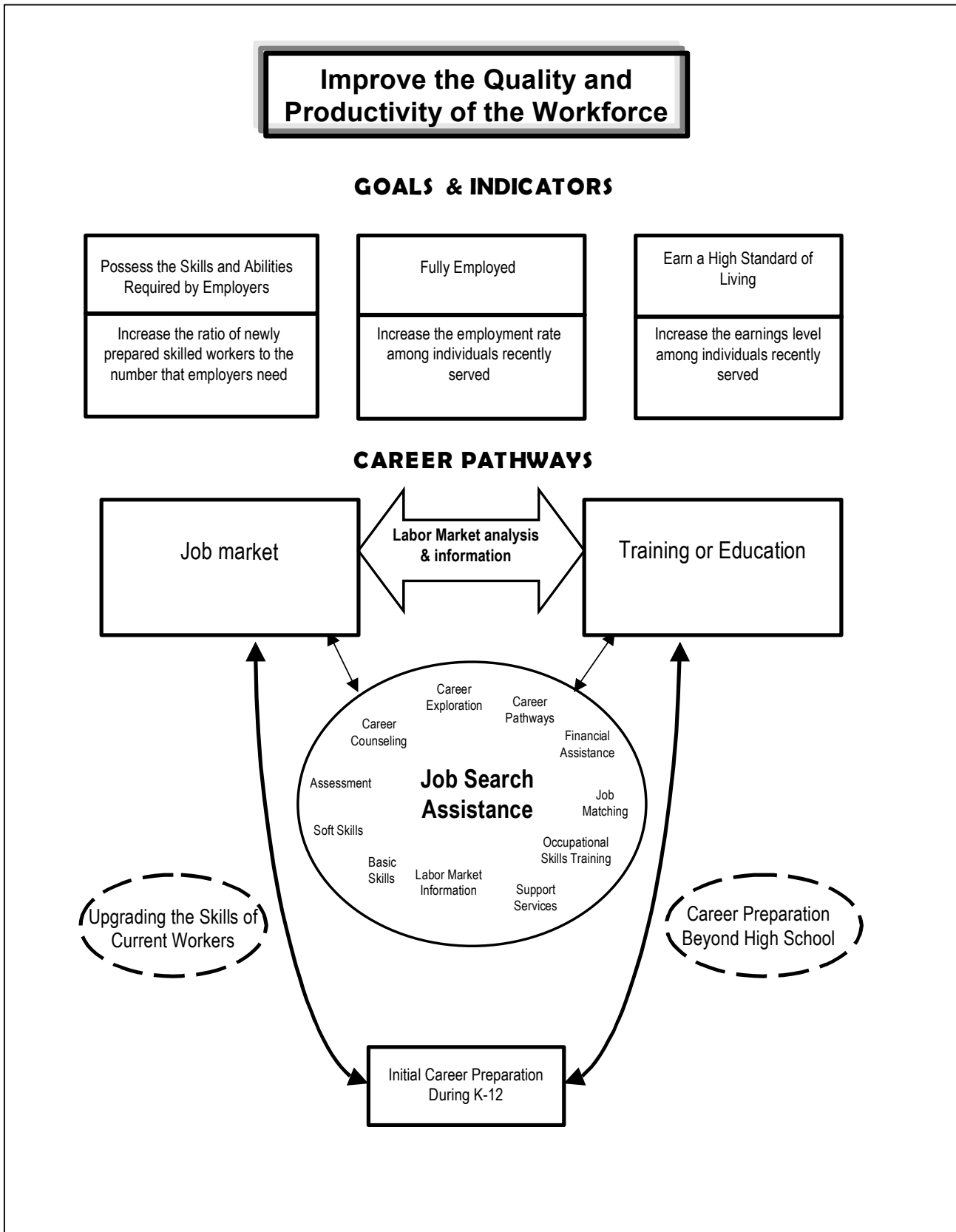
Indicators:

- **Possess the skills and abilities required by employers:** Increase the ratio of newly prepared skilled workers that are actually hired to the number that employers need.
- **Fully employed:** Increase the employment rate among individuals.
- **Earn a high standard of living:** Increase the earnings level among individuals.

Key trends:

- The current workforce is aging;
- Many skilled trades people will be retiring without enough apprentices to fill their jobs;
- There is increasing need for technical skills due to increasing technological change;
- Many of our high school graduates are:
 - Not prepared for entry-level work,
 - Not aware of the skills required by employers, and
 - Not aware of the variety of employment opportunities that are available to them;
- Although many employers still report difficulty in finding skilled workers, many dislocated workers are unable to obtain jobs because they do not have the technical skills required by the employer;
- A growing proportion of the workforce will be composed of ethnic minorities, whose education and workforce outcomes have historically been lower than their Caucasian counterparts.

Map of key factors



Key Innovations/ Changes

Major innovations or changes from current practice.

- Better integration of the needs of employers and the public and private institutions that provide the training.
- Gives the employer more influence on the workforce development system.
 - Places emphasis on what the employers need from the workforce.
- Emphasis is placed on more work based learning thru the use of internships and apprenticeships.
- Shifts the emphasis to workforce training programs that have a proven track record.
- Seeks to increase flexibility in return for accountability in the use of Federal categorical funds.

Purchase Plan Summary

Key Strategies		Total Price	
1. Strategy 1 - Initial Career Preparation During K-12		\$0	\$0
Major Purchase 1	Basic academic and soft skills		
Major Purchase 2	Career counseling, exploration, & pathways		
2. Strategy 2 - Career Preparation Beyond High School		\$765,000	\$266,000
Major Purchase 1	Occupational skills training at public two year colleges and private schools		
Major Purchase 2	Workplace learning including: apprenticeships and business internships		
Major Purchase 3	Academic education at two and four year public and private colleges and universities.		
3. Strategy 3 - Career Preparation for those not ready or wishing to enter Post-Secondary Education		\$10,927,000	\$0
Major Purchase 1	Basic Skills instruction, Assessment, Counseling		
Major Purchase 2	Job Search and support services		
Major Purchase 3	Academic classes for those that have not met minimum entrance requirements for post secondary education.		
4. Strategy 4 - Upgrading the Skills of Current Workers		\$21,000,000	\$11,000,000
Major Purchase 1	Customized Occupational Skills training		
Major Purchase 2	Financial Aid mechanisms to assist those who choose to change careers		
5. Strategy 5 - Returning Unemployed (and under employed) Workers to Work		\$3,019,170,790	\$25,000,000
Major Purchase 1	Income Support for Unemployed workers		
Major Purchase 2	Income Support for Injured workers		
Major Purchase 3	Income Support for needy families whose primary caretaker is unemployed		
	Assessment, counseling, basic skills, occupational skills training, job search and support services for		
Major Purchase 4	injured, low income, and disabled workers.		
6. Strategy 6 - Strategies that run across the workforce cycle		\$94,137,210	\$6,974,000
Major Purchase 1	Customer involvement in policy and program development		
Major Purchase 2	Performance Accountability		
Major Purchase 3	Matching employers and job seekers		
Major Purchase 4	Information on the workforce needs of employers and the economy		

Activities purchased by other results teams

Activity	Result	Price
1. Basic academic instruction in K-12 instruction.	High school graduates will possess the needed skills to either enter into employment and/or proceed into post-secondary education.	\$11,082,000,000
3. Academic education for those that have not met minimum entrance requirements for post secondary education.	Increased number of individuals prepared to take advantage of training and educational opportunities. This will allow them to better meet employer needs and increased employment and earnings potential.	\$20,000,000
4. Academic education at two and four year public and private colleges and universities	Increased number of individuals prepared to meet employer needs and increased employment and earnings.	\$3,700,000,000
5. Workplace learning including internships and apprenticeships.	Increases real world learning employment experiences for students so they are able to make informed choices about potential careers.	\$55,000,000
6. Assessment, counseling, basic skills instruction, occupational skills training, job search, and support services.	Increased number of individuals prepared to meet employer needs and increased employment and earnings.	\$500,000,000
7. Income support for needy families.	Increased number of individuals prepared to take advantage of employment, training and educational opportunities. This will allow them to better meet employer needs and increased employment and earnings potential.	\$598,561,000
	TOTAL	\$15,955,561,000

3. Deliver increased value from post-secondary learning.

Result: Deliver increased value from post-secondary learning

Allocation: Total \$4.841 billion State Share \$4.841 billion

Indicators:

1. Increase percentage of adults completing certificates and degrees
2. Increase student and graduate satisfaction
3. Increase number of students prepared to meet workforce needs

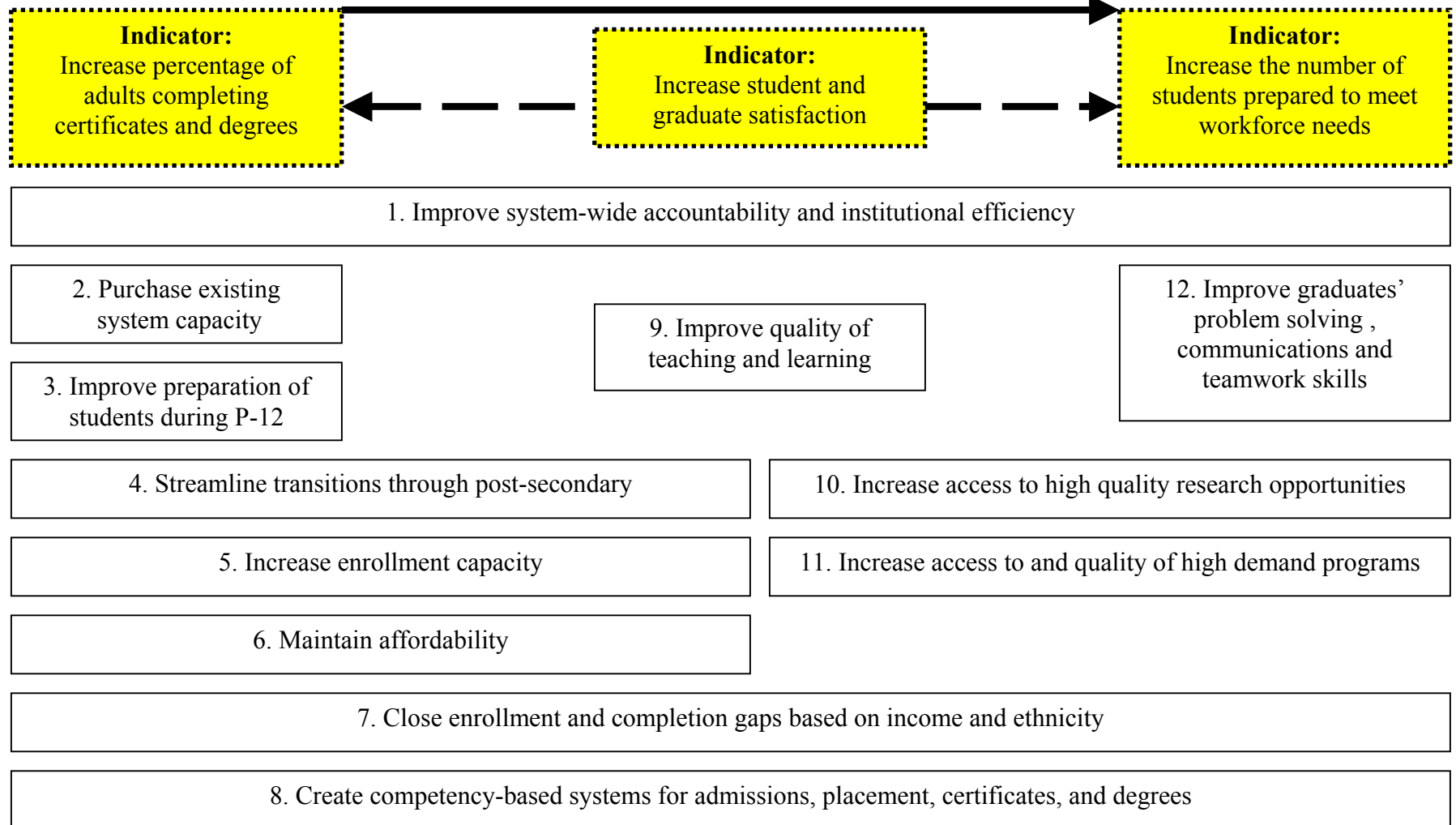
Key trends:

- State's demographics are increasing demand for post-secondary education
- Nearly every public institution is currently over enrolled
- Public colleges and universities express concerns about maintaining quality and reputation
- The state's economy is demanding more from higher education and workforce training
- Employers cite the need for better-prepared post-secondary students

Map of key factors

RESULT:
**Deliver increased value from
post-secondary learning**

Post-Secondary



Key Innovations/ Changes

Major innovations or changes from current practice.

- Higher education governance is centralized. Three options:
 - ❖ Chancellor oversees two boards (current community college board and newly created baccalaureate institution board);
 - ❖ Secretary of Education oversees colleges and universities directly (current community college board eliminated);
 - ❖ Existing Higher Education Coordinating Board is reconstituted and given statutory authority to govern universities. Existing community college board continues to govern community and technical colleges.
- Enrollment in community colleges and universities is greatly increased.
- State Need Grant is increased to keep pace with new enrollments, and eligibility is increased from 55% to 65% of median family income.
- Mission of branch campuses is changed from upper division only to 4-year.
- Contracts with private colleges and universities for space to house new enrollments.
- Faculty COLAs are replaced with significant recruitment and retention pool.
- Per FTE state funding rate is increased by \$1,000.

Purchase Plan Summary

Result: Deliver increased value from post-secondary learning	
Key Strategies (and elements):	\$4.841 billion
1. Improve system-wide accountability and institutional efficiency 1.1 Create governance structure for higher education and training system 1.2 Reduce institutional administration and overhead costs by 5% of existing base	(\$175 million)
2. Purchase existing system capacity(34 Community Colleges, 6 Baccalaurate Institutions) Instruction (e.g., faculty salary, faculty research/scholarship to remain current in field) Libraries (e.g., maintenance of collections, delivery of library services) Student Services (e.g., services contributing to students' intellectual, social and cultural development) Institutional Support (e.g., top-level administrative policy making and management activities) Plant Operations and Maintenance (e.g., maintenance and repairs to buildings, grounds and utilities) Public Service (e.g., university resources and cultural activities available to the community) Primary Support (e.g., administrative and computing support for instruction, research and public services) Hospitals (e.g., operation of primary health care centers for clinical training of health professionals) Research (e.g., state matching grants, technology transfer activities) Other 2.1 Total cost to purchase existing system	1.850 billion 370 million 296 million 296 million 296 million 259 million 185 million 74 million 37 million 37 million \$3.7 billion
3. Improve Preparation of students during Pre-K (see P-12 strategies)	0
4. Streamline transitions through post-secondary education 4.1 Develop additional agreements to improve transfer of credits from community colleges to universities 4.2 Expand College in the High School and Running Start programs	\$5 million
5. Increase enrollment capacity 5.1 Add enrollment slots <ol style="list-style-type: none"> Create BA programs at branch campuses and some community colleges Contract with private colleges/universities for new enrollment slots Increase distance learning Fund basic education and training for incarcerated adults 	\$305 million
6. Maintain affordability	\$77 million

6.1 Develop stable state tuition and financial aid policy 6.2 Expand State Need grant targeted to new enrollment 6.3 Increase Promise Scholarship amount (equal to two years of community college tuition) 6.4 Provide tuition guarantees for “on-time” degree completion (class availability and tuition stability) 6.5 Create scholarships for students who achieve AA degrees while in high school	
7. Close enrollment and completion gaps based on income and ethnicity 7.1 Target outreach programs to low-income and minority students 7.2 Enhance freshman retention programs (mentoring and tutoring) 7.3 Provide appropriate remediation courses	\$10 million
8. Create competency based system for admissions, placement, certificates and degrees 8.1 Develop college readiness standards for use in admissions and placement decisions 8.2 Develop competency based assessments for course credits, certificates and degrees	\$20 million
9. Improve quality of teaching and learning 9.1 Provide faculty recruitment and retention pool 9.2 Enhance state funding by an average of \$1,000 per student enrollment 9.3 Increase internships and work-based learning opportunities 9.4 Expand cultural experiences on campuses	\$654 million
10. Increase access to high quality research opportunities 10.1 Create more opportunities for students and faculty to engage in research	\$25 million
11. Increase access to and quality of high demand programs (to prepare students for immediate job openings, income progression, or public safety) 11.1 Fund enrollments in high demand programs (e.g., medical, education, computer science, applied tech) 11.2 Fund enrollments in programs that integrate job skills and basic education or English language training 11.3 Fund enrollments in vocational programs for incumbent and dislocated workers 11.4 Fund customized training programs for specific business or industry needs 11.5 Provide training for law enforcement officers and fire fighters	\$200 million
12. Improve graduates’ problem solving, communication and teamwork skills 12.1 Require group project/thesis for AA and BA academic or occupational degrees 12.2 Require internships for degree completion	\$20 million

Activities purchased by other results teams

None.

We were asked to identify strategies/key elements we would eliminate or scale back if fewer funds were available

- 5.1 Add enrollment slots: Scale to fit budget
- 5.2 Create BA programs at branch campuses and community colleges: Eliminate or scale to fit needs based on 5.1
- 5.3 Contract with private college/universities: Eliminate or scale to fit needs based on 5.1
- 5.4 Increase distance learning: Eliminate
- 6.3 Increase Promise Scholarship amount: Eliminate
- 6.4 Tuition guarantees for on-time degree completion: Eliminate
- 6.5 Scholarships for AA completers during high school: Eliminate
- 8.1 Develop college readiness standards: Eliminate
- 8.2 Develop competency based assessment system: Eliminate
- 9.1 Faculty recruitment and retention: Eliminate or scale to fit budget
- 9.2 Increase state funding per FTE: Eliminate or scale to fit budget
- 9.2 Increase internship opportunities for students: Eliminate
- 9.3 Expand cultural experiences on campuses: Eliminate
- 11.1 High demand enrollments: Scale to fit budget
- 11.2 Integrated job skills/adult basic education/English language programs: Scale to fit budget
- 11.3 Incumbent and dislocated worker training: Scale to fit budget
- 11.4 Customized training: Scale to fit budget
- 12.1 Require group project for degree: Eliminate
- 12.1 Require internship for degree: Eliminate

4. Improve the Health of Washingtonians.

Result: Maximize the health of Washingtonians.

Allocation: Total \$5.917 billion **State Share** \$4.141 billion

Indicators

1. Epidemiological (population-based) measures
2. Individual self-assessment of health
3. Access

Results Team Vision: Our first priority for assuring that Washingtonians are healthy is to focus on providing population-based approaches and interventions to mitigate environmental hazards and increase health behaviors. We envision a health care system that provides population-based preventative care, assures that all Washingtonians will have access to emergency and trauma care and that low-income uninsured residents will have access to evidence based health care.

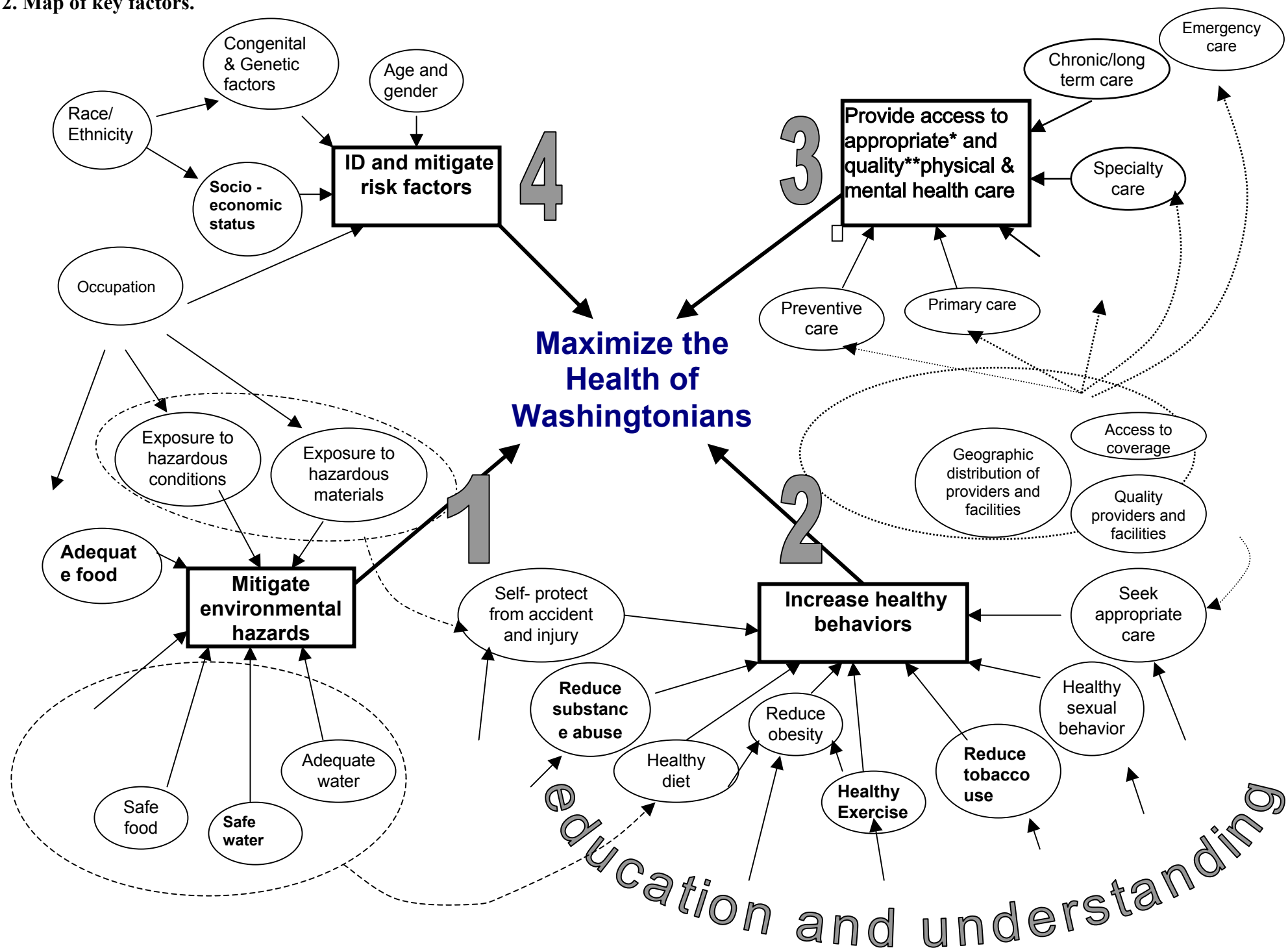
Key trends

- State health costs per person covered are growing three to five times faster than general inflation.
- The continued introduction of new medical technology and pharmaceutical developments, combined with direct marketing to consumers contribute to health care cost increases.
- The rate of health care expenditure increases outstrips the rate of state revenue growth.
- The savings achieved in the 1990s through the use of managed care have run their course.
- In an October 2002 poll of Washington state residents, 69% say that everyone in Washington State should be provided with a minimum level of health care.
- Of the 30 years of increased life expectancy achieved since 1900, 25 years can be attributed to prevention and five years to medical intervention.
- The return on investment for public health preventive measures is high. For every one dollar spent in given areas, the following amounts are saved: prenatal care \$3.38; measles, mumps, rubella vaccines \$14.40; contraceptive services \$4.40; WIC services \$2.45.
- Access to healthcare services for low-income residents is deteriorating as providers drop out of participation in Medicaid.

Key Innovations/ Changes

The group saw opportunity for long term solutions to reshape the healthcare payment and delivery system. However, the immediate short-term fiscal crisis creates a situation that calls for drastic program cut backs.

2. Map of key factors.



Short-term solutions:

- Examining and prioritizing state activities. Those activities, in order of priority:
 - Public health (population-based) services
 - Health care for vulnerable populations: Medicaid mandatory (most vulnerable by definition), other low-income elderly and disabled adults, other low-income children and low-income families, remaining low-income adults.
- Shifting funds to strengthen the public health infrastructure, and to maintain and expand population-based services
- Continuing to provide health care coverage to our most vulnerable populations, in the order listed above to the extent funding is available
- Strengthen safety net, by providing increased grant funding to community clinics and other providers for basic access to health care
- Additional agency initiatives

Long-term solutions:

The Results Team explored potential models for providing access to healthcare in the long-term. These models require further refinement and discussion but appear to contain possibilities for reaching goals we hope to achieve, including cost containment, shifts to more evidence-based practice, and a possible safety net for more low income uninsured residents.

1) Consolidated State Purchasing:

To sustain health care and optimize the states purchasing leverage, all state financed health care coverage would be pooled and community-rated. State would offer four or five benefit plans varying in deductibles and copayments. The benefit designs would reflect this community rating and would have actuarially developed age, gender, family size, and medical adjusted rating. The benefit plans, coverage criteria, treatment decisions, and disease management programs would be evidence-based. Given state fiscal constraints, there would be a mechanism (with broad public input) for prioritizing state employee and low-income subsidized coverage. This mechanism would be used to guide the Governor and legislature in contracting or expanding health coverage within available funds. The pooling could be phased in over time. In the long run, all plans could be available to any resident. Low-income persons who could not afford coverage through the private market could enroll in the pool, where there would be both an implicit (from the pooling) and explicit subsidy.

2) Public/private model

The alternative safety net for medical services might take on a new organizational form. It may be possible to create a private non-profit entity with a substantial degree of public control to deliver health care services to the low-income population. This entity, free of the constraints of a state agency, would provide services directly and efficiently. It would be able to employ physicians and other medical practitioners on a salaried basis. It would provide services to MAA clients and bill MAA directly. It would provide services to other low-income residents with a system of sliding-scale charges. Basic funding to allow the sliding scale charge system would be provided

under a contract with HCA. This contract would replace the BHP. The idea is to provide subsidized services on a population-wide basis as opposed to providing insurance coverage to a small subset of the uninsured population. Providing services in currently underserved areas would be required under the contract. The structure of the non-profit entity and its contracts with state government would be designed to deliver these services in a cost-effective manner.

3) Regionalization

A North Carolina style regionalized healthcare delivery system would shift all state dollars for health care (and possibly other human services) to designated regions in the form of block grants. The local entities would be structured as consortiums of providers and purchasers and would enable local jurisdictions to design the system of care that suits their unique needs. This model further has potential to dovetail with the public health system.

Purchase Plan Summary

Result: Maximize the health of Washingtonians.

Key Strategies:

1. Increase healthy behaviors

Reduce tobacco usage

Comprehensive tobacco prevention and control

Promote healthy and safe sexual behaviors

A. STD & HIV/AIDS prevention and control activities

B. Family planning and maternity support services

Protect from injury and accidents

A. Maintain network of prevention, education and support services.

B. Reduce medical errors and improve patient safety.

Promote healthy eating, exercise and reduce obesity

A. Family interventions including food, nutrition counseling, and education on health.

B. Promotion of physical activity, healthy diet and reduction of obesity

2. Mitigate environmental hazards

Establish core public health infrastructure funding

Immunization available to all children

Communicable disease control measures, interventions and surveillance system are maintained.

Training, inspections and outbreak control measures for food borne illnesses

Develop and deploy hazardous materials protection plans and sample testing:

A. Safe management and cleanup of nuclear materials.

B. X-Ray regulation and health assessments at haz. mat. Sites.

C. Indoor air quality and school air quality technical assistance/grants to locals provided.

Water quality monitoring and septic system approval.

Monitoring of fish contamination and public warning/education system in place.

3. Identify and mitigate risk factors

Data collection and analysis for population-based decision making

Continue genetics testing, newborn screening and services

Grants/technical assistance to focus efforts on reducing health disparities and a system to track efforts

4. Provide access to appropriate healthcare

Provide health care to "mandatory" populations under federal Medicaid program

Provide health services other low-income elderly and disabled adults

Fund other mandatory service obligations (Indian Health, DSH)

Make targeted, strategic investments to provide baseline safety net

Provide health care to people incarcerated by the state

Buy-back services in priority order

Total

\$ Millions		
State	Local	Total
\$200	\$43	\$243
\$52	\$5	\$57
\$39	\$0	\$39
\$60	\$10	\$70
\$13	\$1	\$14
\$10	\$0	\$10
\$20	\$27	\$47
\$7	\$0	\$7
\$209	\$267	\$476
\$90	\$45	\$135
\$26	\$25	\$51
\$30	\$100	\$130
\$19	\$20	\$39
	\$4	\$4
\$13		\$13
\$5		\$5
\$8	\$3	\$11
\$13	\$70	\$83
\$6	\$0	\$6
\$30	\$0	\$30
\$14	\$0	\$14
\$10	\$0	\$10
\$6	\$0	\$6
\$3,703	\$500	\$4,203
\$2,895	\$0	\$2,895
\$218	\$0	\$218
\$221	\$0	\$221
\$100	\$500	\$600
\$126	\$0	\$126
\$143	\$0	\$143
\$4,141	\$810	\$4,951

Activities purchased by other results teams

Activity	Result	Price
1. Vulnerable Adults and Children purchases behavioral health services (includes mental health care and substance abuse interventions)		Mental health: \$431 million state Behavioral health: \$92 million state
2. Vulnerable Adults and Children purchases long-term (non-medical institutional and home- and community-based services)		
3. Healthcare for children currently covered by Medicaid dollars but not categorized as “mandatory” by the federal government and healthcare for children up to 200% poverty currently covered in the Basic Health Program.	Approximately 197,000 children low-income children retain health care coverage.	\$322 million, state
4. Development of web-based system to assist the K-20 network, so it can support public health educational activities	Increased access to preventive, public health information	\$15 million state (leveraging \$15 million federal)

Activities not purchased to be bought back first

Identify the activities (in priority order) not purchased that would be the first you would purchase if your team had additional resources. Describe changes you would make in these activities, if any.

Activity	Result	Price
Basic Health Program coverage for childless adults up to 100% poverty level	Approximately 60,000 childless adults would lose existing health coverage	\$320 million
Basic Health Program coverage for childless adults >100% poverty level	Approximately 40,000 childless adults would lose existing health coverage	\$190 million

Other major items not purchased

Activity	Result	Price
SCHIP program	Approximately 10,000 moderate-income children would lose health coverage. The state could lose access to about \$30 million federal funds per year.	\$11 million
Healthcare workers with disabilities	Approximately 200 workers with disabilities would lose health coverage.	\$2 million
Medically indigent	Hospitals would not be reimbursed by the state for emergency care for approximately 4,200 people per month.	\$81 million
Elimination of adult dental, vision, hearing services	Mandatory and optional populations covered otherwise would lose this current benefit.	\$54 million
Regulation of professions	Assume this activity is funded with fees paid for by professions themselves	\$40 million

5. Improve the condition of vulnerable children and adults.

Result: Improve the Condition of Vulnerable Children and Adults

Allocation: Total \$5.537 billion State Share \$4.572 billion

Indicators:

1. Increase the percentage of vulnerable children and adults living above the poverty line
2. Increase the percentage of vulnerable children and adults living in permanent, safe homes or community settings
3. Increase the percentage of vulnerable adults who make measurable progress toward self-sufficiency

Key trends

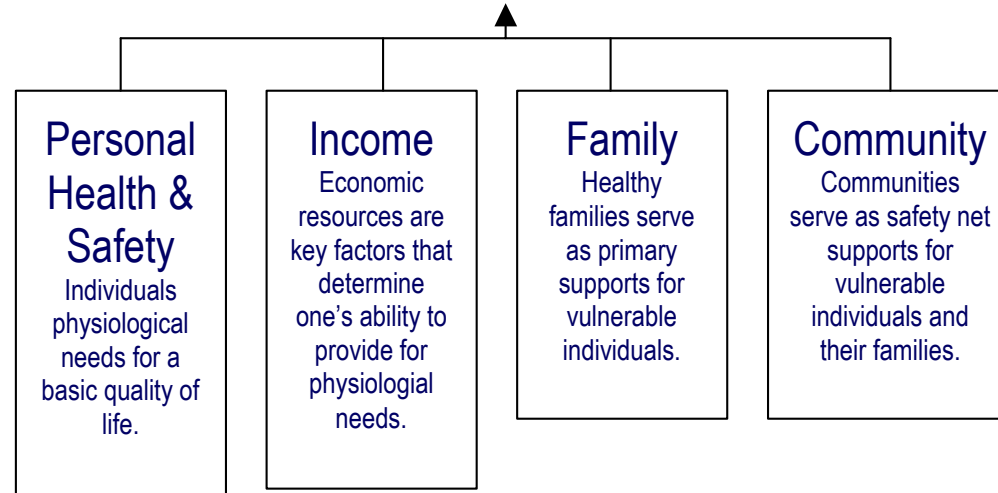
- Since 1960, the number of one-parent families in Washington State has more than tripled, increasing from 8 percent in 1960 to 27 percent in 2000. *SOURCE: Office of Financial Management 2002.*
- The state poverty rate has fluctuated moderately over time, holding around 10 percent, but the state population continues to increase; thus, the overall demand for services are higher. *SOURCE: U.S. Census Bureau (Poverty Rates), and Office of Financial Management (Population).*
- Those hardest hit by poverty tend to be children, especially if living in a female-headed household – 20 percent of all children and youth under age 18 are poor, and 41 percent of those living in female-headed households with children present are poor. In comparison 13 percent of all families, and 12 percent of those over 65 are poor. (Percentages provided are for those at 125 percent of Federal Poverty or below.) *SOURCE: U.S. Census Bureau, Current Population Survey, 2002.*
- The state population is expected to increase by over two million people by 2030. Much of the increase will be due to the aging of the population, a structural demographic change that is expected to pressure our medical and long-term care dollars. Costs for the elderly are generally higher than other age groups; the Categorically Needy aged, blind, disabled group represents less than 20 percent of the service group, but spends almost 40 percent of DSHS medical costs. *SOURCE: DSHS Financial Services.*
- More than half of DSHS clients come to DSHS for two or more of the services provided. Most receive medical assistance benefits as one of their services. *SOURCE: DSHS Research Data and Analysis.*

Map of key factors

Goal

Improve the Conditions of Vulnerable Children and Adults

Strategic Factors



Service Investment Continuum

Intervention
The immediate need to remove an emergent threat to health and safety



At-Risk
The removal of a probable threat to health and safety



Prevention
The enhancement of prevention services to increase the abilities of individuals' and families to become self-sufficient.

Key Innovations/ Changes

Major innovations or changes from current practice.

Manage tort liability limits: Washington's broadening legal boundaries of what constitutes breach of duty in tort liability claims, combined with its ultimate obligation to pay up to 100 percent of a judgment even when only partly liable, forces social service providers to spend increasing dollars to guard against liability lawsuits. Until liability is better aligned with costs, the state cannot begin to reduce the cost of mistrust in programs and services for vulnerable children and adults.

Minimize asset diversions for Medicaid eligibility: Search for and employ methods to prevent families of senior citizens from diverting seniors' financial assets to avoid sharing in the cost of state-provided nursing home care.

Block grant for early intervention and prevention to communities: Combine dollars for smaller, locally targeted programs into block grants to give local communities more flexibility in deploying those dollars to the best uses.

Integrate children and welfare services with K-12: Coordinate with schools to identify and provide better-targeted services to vulnerable children who are in the schools.

Integrate Medicaid service delivery: Coordinate separate state functions to employ state medical resources in ways that prevent or reduce medical demands before they grow and become more expensive.

Target research and development dollars: Establish funding to contract for studies to determine the ability of current or proposed programs and services to deliver intended results.

Involve adults in every child's life: Use advertising, existing volunteer programs and other resources to cultivate a sense of community responsibility to provide vulnerable children with adult mentors.

Provide more community based mental health care options: Reduce expensive institutional care by expanding the number of beds and options in community settings and design a more efficient use of structured residential placements that allows for progressive independence.

Professionalize foster care: Train and pay foster care providers to provide stable, well-run homes as their primary occupation, giving stability to foster children and the foster-care system.

Purchase Plan Summary

Result: Improve the Condition of Vulnerable Children And Adults (Dollars in 000's)		Baseline Must do	% of Total	----- Baseline Enhancements -----			Total GF-S Allocation	% of Total
				Add 1st	Add 2nd	Add 3rd		
<u>Strategy # 1 - Intervention Services</u>								
1a	Abuse/Neglect investigation	\$ 62,443					\$ 62,443	
1b	- Increased Child Protective Services				\$ 5,000		\$ 5,000	
2	Emergency Housing For Children & Families	\$ 31,388					\$ 31,388	
3	Emergency Food	\$ 15,547					\$ 15,547	
4	Emergency or Temporary Income Support	\$ 448,792				\$ 45,000	\$ 493,792	
5	Institutional Care	\$ 876,789					\$ 876,789	
6	Community & Residential Services	\$ 501,116					\$ 501,116	
7a	Foster Care	\$ 219,799					\$ 219,799	
7b	- Increased Child Welfare Services				\$ 10,000		\$ 10,000	
7c	- Other Foster Care Services				\$ 10,000		\$ 10,000	
8a	In-Home Care	\$ 586,327					\$ 586,327	
8b	- In-Home Adult Services	\$ -		\$ -	\$ -	\$ 3,000	\$ 3,000	
Total Strategy #1		\$ 2,742,202	76.2%	\$ -	\$ 25,000	\$ 48,000	\$ 2,815,202	66.8%
<u>Strategy #2 At-Risk Services</u>								
9a	Specialized Outpatient Treatment	\$ 465,238					\$ 465,238	
9b	- Childrens Basic Health Plan & Optional Medicaid			\$ 322,000			\$ 322,000	
9c	- Increased Mental Health Community Services			\$ 30,000			\$ 30,000	
9d	- Increased DASA			\$ 125,000			\$ 125,000	
10a	Substitute Care	\$ 172,815					\$ 172,815	
10b	- Adult Day					\$ 3,000	\$ 3,000	
11	Child Support	\$ (64,077)					\$ (64,077)	
12a	Employment Preparedness for Disabled/Refugees	\$ 156,023					\$ 156,023	
12b	- Increased Job Training & Voc Rehab					\$ 42,000	\$ 42,000	
13a	Family Support Services	\$ 117,406		\$ -	\$ 5,000	\$ -	\$ 122,406	
Total Strategy #2		\$ 847,404	23.6%	\$ 477,000	\$ 5,000	\$ 45,000	\$ 1,374,404	32.6%
<u>Strategy #3 Prevention Services</u>								
14	Community Involvement, Education, Mentoring	\$ 8,338			\$ 14,000		\$ 22,338	
15	- Additional Research & Development				\$ 1,000		\$ 1,000	
Total Strategy #3		\$ 8,338	0.2%		\$ 15,000		\$ 23,338	0.6%
Total Program Strategies 1,2,3		\$ 3,597,944		\$ 477,000	\$ 44,000	\$ 93,000	\$ 4,211,944	
Proportionate Admn/Infrastructure Allocation		\$ 348,290					\$ 359,466	
Total Program and Admn Allocation		\$ 3,946,234					\$ 4,571,411	
Team Allocation Target			100.0%				\$ 4,572,000	100.0%

Activities purchased by other results teams

Activity	Result	Price
1. Health care coverage for mandatory indigent populations. Includes basic coverage for most indigent families with children, most disabled adults.	Vulnerable receive health care to meet emergent needs. Supports health/safety, families.	Health care team's purchase plan, approximately \$2.8 billion state funds.
2. Living and family wage jobs are available, and single vulnerable adults and adult heads of families with children have skills needed to secure these jobs.	Families and vulnerable adults are able to earn enough to meet their basic health and safety needs.	Workforce Productivity and Economic Vitality teams' purchase plans.
3. Early childhood education and assistance (ECEAP) for at-risk children and families in poverty.	Risk conditions are remediated, family systems are strengthened as needed.	Education team's purchase plan.

6. Improve economic vitality of businesses and individuals throughout the state.

Result: Improve the economic vitality of businesses and individuals throughout the state

Allocation: Total \$2.958 billion State Share \$2.366 billion

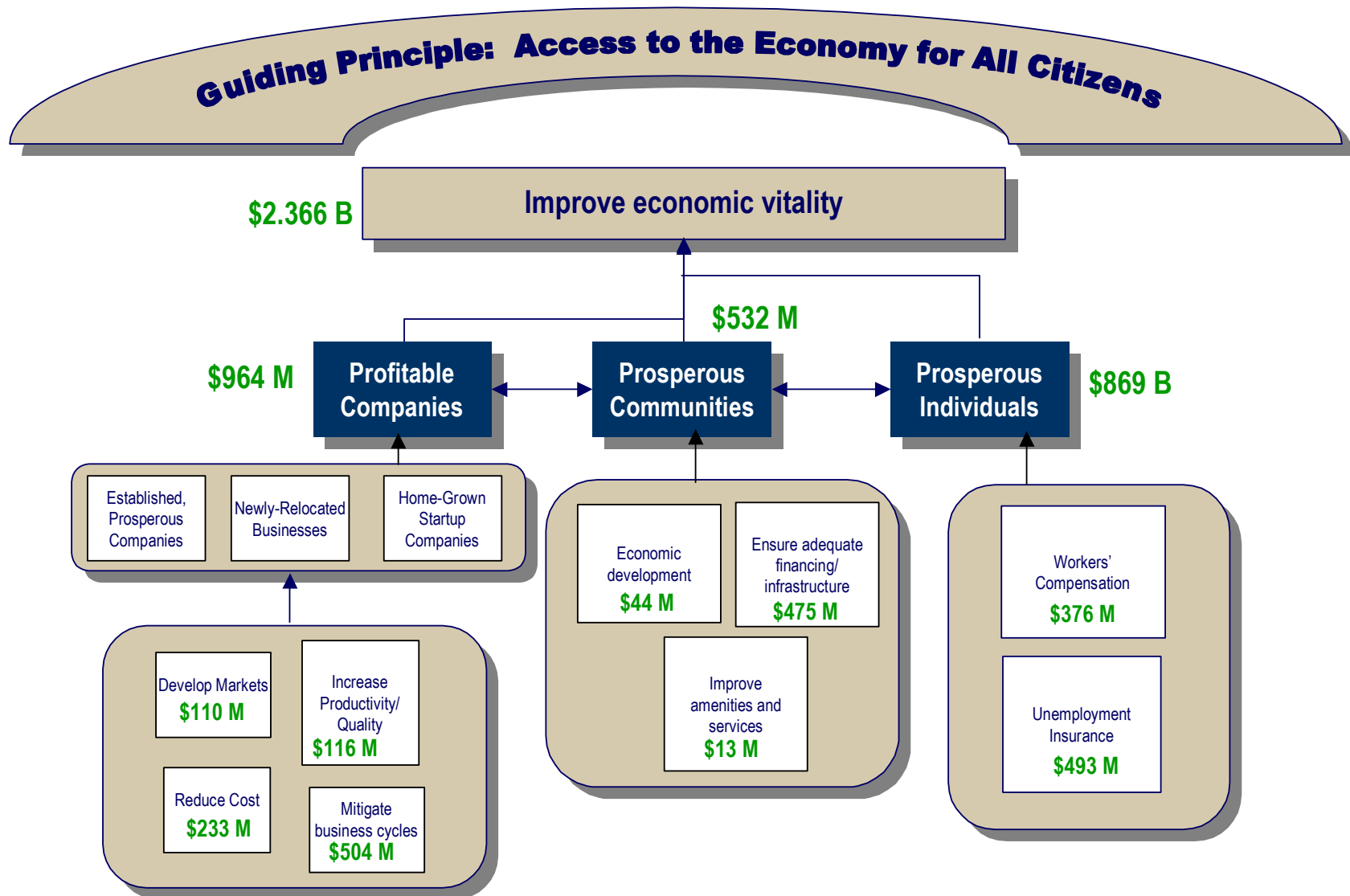
Indicators:

1. **People will have jobs:** Percent increase in the number of people employed as a percentage of the working-age population.
2. **Individuals will be prosperous:** Percent increase in median household income + percent decrease in the percent of people with incomes below the federal poverty line.
3. **Businesses will be profitable:** Percent change in real growth of business revenues plus percent change in employment.

Key trends

- Local governments are having greater difficulty providing core services due to reductions in financial capacity.
- The knowledge intensity of growing industries is increasing.
- The availability of technologies that provide job opportunities for persons who traditionally were unemployable due to physical barriers is increasing.
- The prosperity divide between rural and urban counties, and between prosperous and distressed areas within urban counties is increasing.
- Education increasingly drives personal income.

Economic Vitality Results Map



Key Innovations/ Changes

Major innovations or changes from current practice.

- Require industry match and participation in all industry-focused market development and promotion activity.
- Link technology development, technology transfer, technical assistance and market development for specific industries
- Provide R&D matching grants for strategic industries
- Coordinate services to small businesses and entrepreneurs through development of a portal that links state, federal, and nonprofit services.
- Tie local prospective site development to economic development strategic plans, including workforce training plans
- Put a major focus on increased infrastructure funding both for local governments and for specific economic development opportunities
- Strengthen the statute governing projects of statewide significance. Use it to drive additional program funding to permit programs to speed permit review and approval for projects with significant economic impact.

Purchase Plan Summary

Key Strategies	\$ millions	
Strategy 1: Foster Profitable Businesses	\$964	
Major purchase 1: Market Development		\$109.9
Major purchase 2: Increase Productivity/Quality		\$116.3
Major purchase 3: Mitigate Business Cycles		\$504.3
Major purchase 4: Reduce Cost		\$233.3
 2. Create Prosperous Communities	 \$532	
Major Purchase 5: Infrastructure		\$474.6
Major Purchase 6: Planning and Leadership		\$39.6
Major Purchase 7: Community Recruitment		\$4.2
Major purchase 8: Affordable Housing		\$11.9
Major Purchase 9: Healthy communities		\$1.4
 3. Foster Prosperous Individuals	 \$869	
Major purchase 10: Unemployment insurance		\$493.3
Major purchase 11: Worker's Comp		\$376
 TOTAL	 \$2,365	

Activities purchased by other results teams

Activity	Result	Price
1. Workforce development through customized training	Attract companies/create jobs/improve productivity	\$13 million
2. Brownfields cleanup	Reduce cost to redevelop properties	\$2 million
3. University technology transfer offices	Create new companies/improve productivity	\$6 million
4. Advanced Technology Initiative	Research in specific technology areas/creation of new companies	\$4 million
5. Training benefits (component of Unemployment Insurance)	Income support for displaced workers in training	\$20 million
6. Unemployment insurance	Mitigation of the effect of business cycles	\$493 million
7. Targeted Tourism Marketing for state parks	Increase revenue for the hospitality industry	\$1 Million
8. Blind Services	Gets disabled into the workforce so they can make a living	\$3 Million
9. Voc Rehab, DSHS	Training for disabled	\$21.8 million
10. DD employment	Provides employment and day programs for developmentally disabled clients	\$74.5 Million
11. Displaced Homemakers	Provides employment opportunities for newly single women	\$1.1 Million

7. Improve the mobility of people, goods, information and energy.

Result: Improve the Mobility of People, Goods, Information, and Energy

Allocation: Total \$6.455 billion **State Share** \$2.582 billion

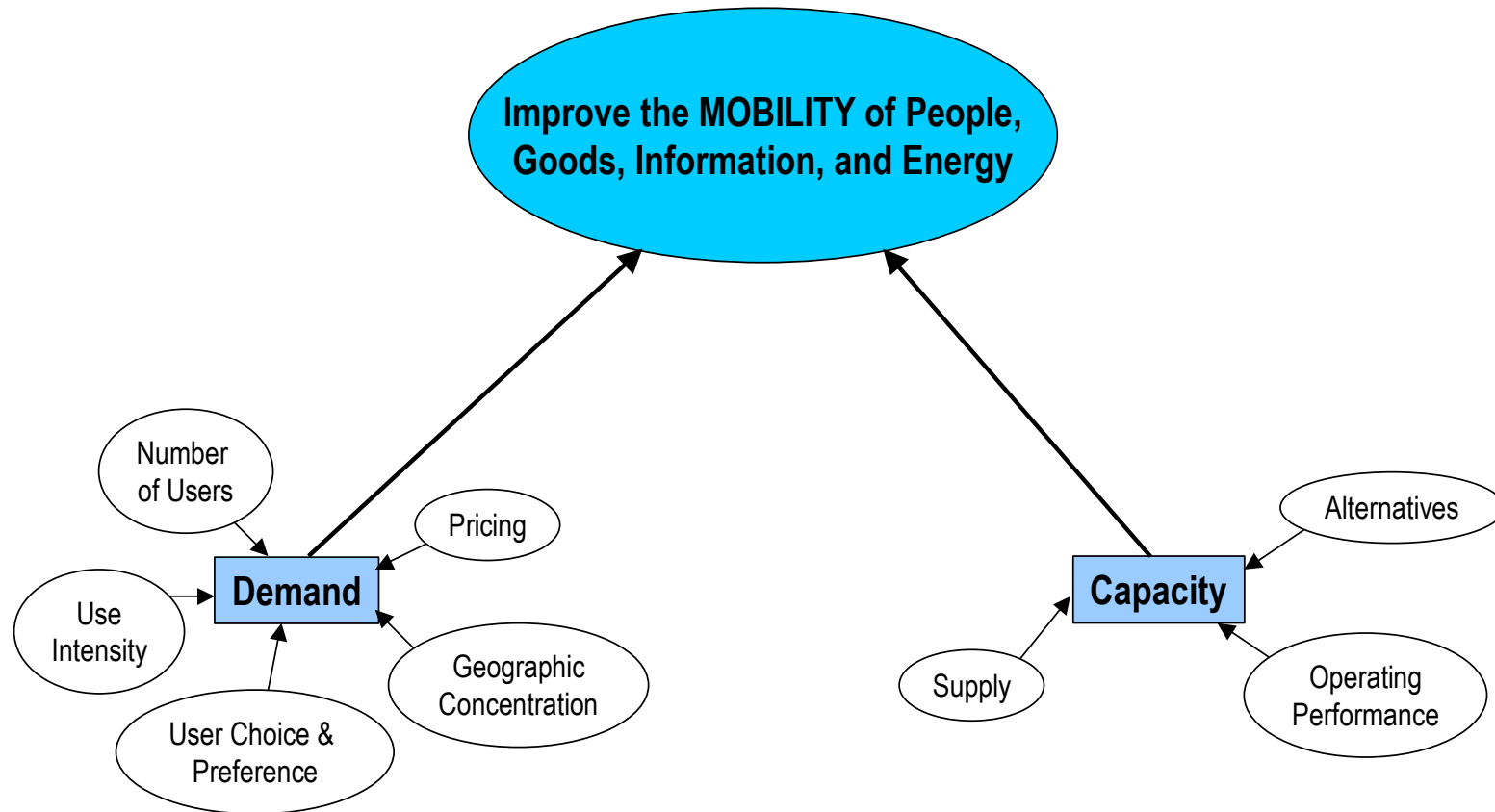
Indicators:

1. System is sufficient to balance capacity and demand.
 - a. % growth in statewide vehicle miles traveled vs. population growth
 - b. Energy supply is adequate to meet expected demand as determined by regional planning
 - c. % of Washington population with access to advanced telecommunications services (high speed connections)
2. Delay and downtime are not excessive.
 - d. Cumulative increase/decrease in 95% reliable travel times (system wide or focused on critical corridors)
 - e. Service interruptions are not excessive based on indices of frequency of interruptions, system average duration of interruptions, and customer average duration of interruptions.
3. Prices to consumers/travelers are fair and reasonable.
 - f. Based on revenue requirements of service providers, review of historical costs, and comparisons with costs in other jurisdictions
 - g. Based on rate of state resources leveraged (ratio of state funding to federal/local/private resources)

Key trends

- Washington's roads, bridges, and other transportation infrastructure represent a total taxpayer investment of more than \$100 billion.
- Since 1980, the number of registered vehicles in Washington has grown by 57%, vehicle miles driven has grown by 88%, while the state's population has grown by 43%.
- \$103 billion per year in trade currently flows through Washington ports and the volume of freight is projected to double within 20 years.
- Washington businesses and residents spend 2.5% of their income on energy services, compared with 3.1% ten years ago.
- From December 1999 to December 2001, growth in demand for telecommunications lines was strong overall, up 19% over two years. All of the growth was through alternatives to traditional phone voice-grade lines. Advanced services, which are DSL and cable modem lines, now account for 5% of all lines in Washington.

Map of key factors



Key Innovations/ Changes

Major innovations or changes from current practice.

- Expand K-20 network and establish a distance-learning inventory; use network for teacher continuing education training and student “virtual classrooms.”
- Shift current Commute Trip Reduction program away from state/local coordination and administration to a employer tax credit; change or eliminate current reporting requirements.
- Scope the authority of the Transportation Commission and look toward executive appointment of the DOT secretary.
- Accelerate current permit streamlining effort (TPEAC). Areas for review could include: penalties if permits not available on time or provide \$ incentives for early permit decisions; certification acceptance for contractors to speed permits.
- Look at consolidating trucking regulation and oversight (permits, licenses, safety inspections, etc.).
- Work with federal highways to allow commercial services at rest areas & consider collocation of rest area services with rural communities.
- Develop a state plan/policy on communications spectrum use; develop equipment standards and allow local governments to take advantage of state bulk purchasing power.
- Allow local governments to use DOT master purchasing contracts for road materials and equipment to reduce local project costs.

Purchase Plan Summary

Result: Improve the Mobility of People, Goods, Information, and Energy.

Key Strategies (From tollgate 2)

\$ millions

1. Strategy 1: Maximizing system capacity- achieved through:

\$ 2,571.1

Maintain, operate, and preserve existing systems to preserve capacity

1,514.6

Improve safety to increase operating performance

443.4

Get more use out of the existing system

31.7

Expand capacity in critical corridors

581.4

2. Strategy 2: Balancing the demands on our existing systems - achieved through:

\$ 10.9

Decrease the usage of those elements of the system where demand exceeds supply

0.4

Increase the usage of those elements of the system where capacity exists

10.5

TOTAL

\$ 2,582.0

Activities purchased by other results teams

Activity	Result	Price
1. Statewide Environmental Retrofit Transportation Projects	More projects that eliminate fish passage barriers, retrofit transportation-related storm water facilities, and add noise walls.	\$125.1 State Other
2. Expanded Commute Trip Reduction Activities	More tax credits, grants, and technical assistance to reduce single occupant vehicle use.	\$17.7 State Other
3. Statewide Transportation Demand Management Activities	Additional state support for ridesharing, system management, and demand management.	\$10.6 State Other
4. Grants to Public & Private Rural Transportation Providers	Additional statewide grants to public & private transportation agencies that serve rural communities.	\$3.5 State Other
5. Statewide Public Transportation Efforts	Additional statewide grants, planning, and technical assistance to public & private transit agencies.	\$2.6 State Other

8. Improve the safety of people and property.

Result: Improve the Safety of People and Property

Total Allocation: \$4.572 billion **State Share:** \$1.371 billion

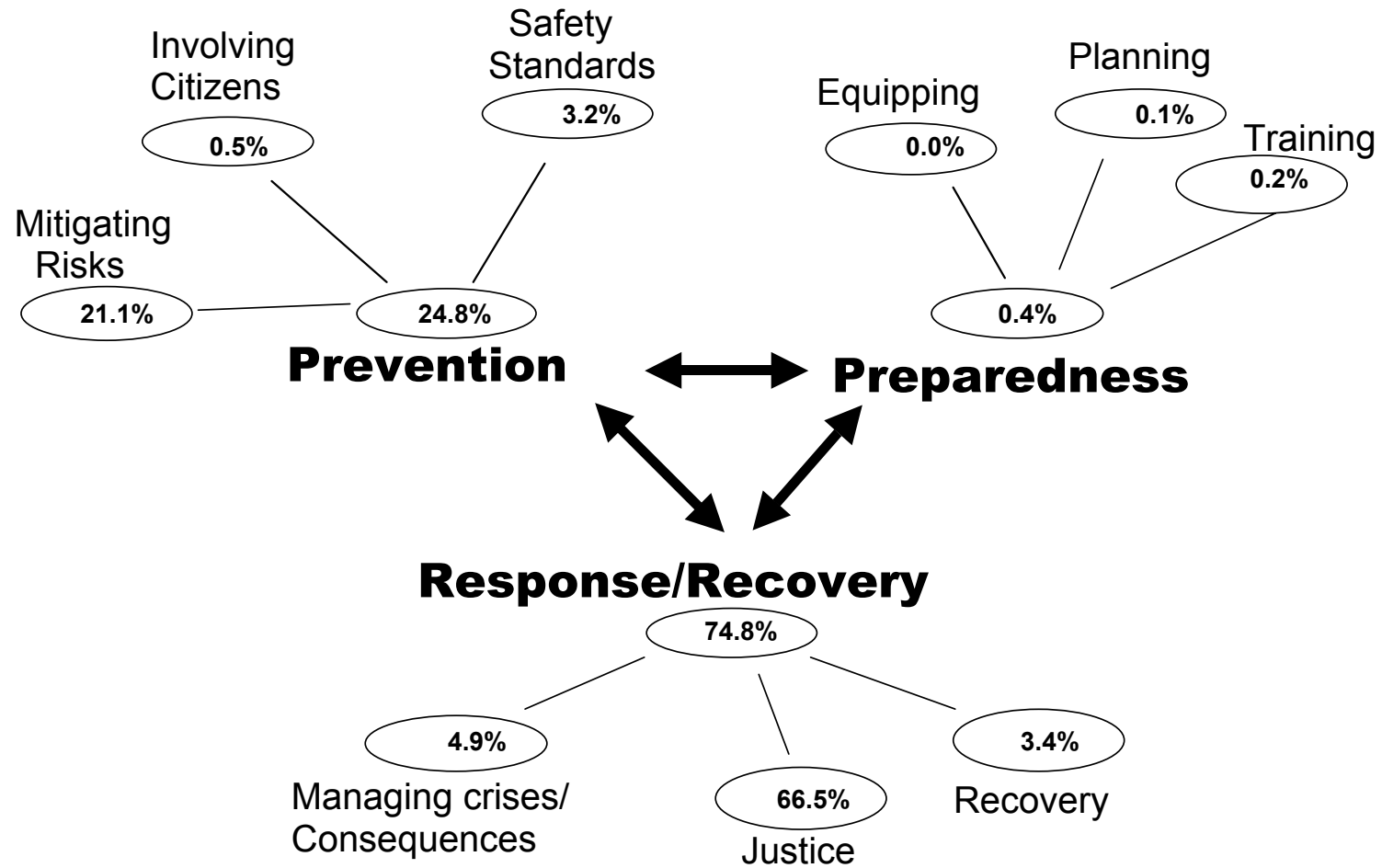
Indicators:

1. Reduce preventable loss of life, injury, and property due to criminal activities, accidents, and natural or man-made disasters.
2. Increase emergency response readiness.
3. Increase citizen confidence of their safety within their communities.

Key trends:

- Crime is down; convictions are up; sentences are longer. Prison population has grown at twice the rate of the state population since 1984.
- The number of fatal and injury vehicle accidents are declining while the number of vehicles and vehicle miles traveled on our highways are increasing at a rate greater than the growth in population.

Map of key factors



Key Innovations/ Changes

Major innovations or changes from current practice.

- **Civilly Committed Sex Offender Treatment Program:**
Converts from a high-security Special Commitment Center (on prison grounds) to community-based program with intensive supervision, monitoring, and outpatient treatment for high-risk sex offenders civilly committed to DSHS custody. Supervision of non-committed Level 3 sex offenders, (non-treatment).
- **Community Mobilization:**
Strengthen/expand neighborhood-based crime prevention programs (e.g. Safe Streets), expand mission to include disaster preparedness at neighborhood level.
- **Crime Victim Compensation:**
Modify state liability (substance and process) for crimes by offenders under supervision, redirect tort payouts and processing costs (e.g. AG) to compensation benefits for all victims. Funds not available to team to buy this result. Tort claim payments (not limited to crime victims) = \$94 million. AG and other process cost savings additional.
- **Risk-Based Allocation of Correction Resources:**
Increase weight of individual risk assessment in allocating adult and juvenile confinement and supervision resources. Incorporate risk into sentencing policies as it is now into supervision policies.

Purchase Plan Summary

Strategy/Major Purchases		Price (\$'s in millions)
Prevention – To keep crimes, accidents, injuries and property damage from		
1 happening	\$339.8	
a Safety Standards – licensing and inspections		\$44.0
b Involving Citizens – prevention grants to non-profits		\$7.1
Mitigating Risk – confine, supervise, treat high risk offenders; State Patrol highway		
c activity		\$288.7
2 Preparedness	\$5.4	
a Planning – statewide disaster planning		\$2.0
b Training – cross jurisdictional and community based		\$3.4
c Equipping – first responder (from federal funds)		\$0.0
3 Response	\$1,025.8	
a Managing crises/consequences – emergency operations, National Guard, State Patrol		\$67.0
b Justice – Criminal courts, investigation, incarceration		\$912.3
c Recovery – victim compensation and support		\$46.5
TOTAL		\$1,371.0

Activities purchased by other results teams

Activity		Price (\$'s in millions)
1	Prevention	
	a Safety Standards	
	• WSP-State Fire Marshall Life Safety Inspections	\$4.0
	• Dam Safety	\$1.2
c	Mitigating Risk	
	• DOC-Inmate Education GED, Voc Ed.	\$32.0
	• JRA- Early Intervention Locally Sanction Youth	\$10.0
	• JRA- Alcohol & Drug	\$4.9
	• DOC-Sex Offender Treatment	\$2.0
	• JRA-Sex Offender Treatment	\$2.3
	• DOC-Alcohol & Drug	\$16.0
	• JRA- Alcohol & Drug	\$4.9
	• DOC- Mental Health	\$21.0
	• WSP- Commercial Vehicle Inspections	\$12.0
	• WSP-State Patrol Highway Activity	\$20.0

•	WSP-State Patrol Service Calls	\$20.0
•	WSP-State Patrol	\$50.0
•	WSP-Proactive Aviation Highway Traffic Enforcement	\$5.0
•	Fish and Wildlife Enforcement of Fish and Game Laws	\$27.3
2	Preparedness	
b	<i>Training</i>	
•	Academies (fire, police, state patrol, corrections)	\$25.0
c	<i>Equipping</i>	
•	Interoperable Statewide Communications Network	\$10.0
3	Response	
a	<i>Managing crises/consequences</i>	
•	Fire Suppression/ Control/Regulation/ Prevention on Public Lands	\$46.3
b	<i>Justice</i>	
•	DNR Camps in state adult and juvenile correctional institutions	\$1.0
•	DOC Health Care	\$121.0
•	JRA Health Care	\$4.7
TOTAL		\$440.5

**7. Activities not purchased to be bought back first
IN PRIORITY ORDER**

Activity	Result	Price (\$'s in millions)
1 Confine lower-risk adults (RM-C, D) convicted of property or drug crimes for 50% of current sentences.	Incapacitation.	\$106.9
2 Supervise lower-risk adults (RM-C) ending prison sentences. Mostly monthly kiosk reporting.	Reduced recidivism.	\$4.3
3 Enforcing liquor laws - medium priority per LCB.	Reduced alcohol-related crime, accidents.	\$3.0
4 Sentencing Guidelines Commission	Sentencing data, policy analysis and advice.	\$2.0
5 Increase supervision of high-risk adult offenders after prison or jail. Enhancement above current level per DOC workload study -- 1/2 implementation.	Reduced recidivism.	\$11.5
6 Increase Early Intervention for local youthful offenders	Reduced recidivism	\$7.3
7 Fully fund drug courts, other court-referred substance abuse treatment (including in jails). Utilizing 2338 mechanism.	Reduced recidivism. Contributes to health result.	\$16.5
8 Increase supervision of high-risk adult offenders after prison or jail. Enhancement above current level per DOC workload study -- 1/2 implementation.	Reduced recidivism.	\$11.5

9 Increase Early Intervention for local youthful offenders	Reduced recidivism	\$7.3
10 Increase drug treatment in prisons. Utilizing 2338 mechanism.	Reduced recidivism. Contributes to health result.	\$11.5
11 Increase mental health treatment in juvenile institutions (fund JRA decision package)	Reduced recidivism. Contributes to education, health, workforce results.	\$2.2
12 Cognitive behavioral treatment, family focused case management (Integrated Treatment Model) for state juvenile rehabilitation system (fund JRA decision package)	Reduced recidivism. Contributes to education, workforce results.	\$1.0
13 Enforcing gambling laws - Gambling Commission	Reduced gambling violations.	\$2.0
14 Enforcing liquor laws - low priority per LCB.	Reduced alcohol-related crime, accidents.	\$16.4
15 Missing & Exploited Children's Task Force	Improved coordination of investigative resources for crimes involving children.	\$1.0
16 Drivers Education Subsidy	Improved safety of the driving public.	\$10.0
17 Homicide Tracking System (HITS)	Improved investigative resources for violent serial crimes	\$1.7
18 Salvage / Rebuild VIN inspections	Protects public from fraudulent sale of stolen vehicles and parts.	\$3.0
TOTAL		\$219.1

9. Improve the quality of Washington's natural resources.

Result: Improve the Quality of Washington's Natural Resources

Allocation: Total \$2.689 billion State Share \$1.882 billion

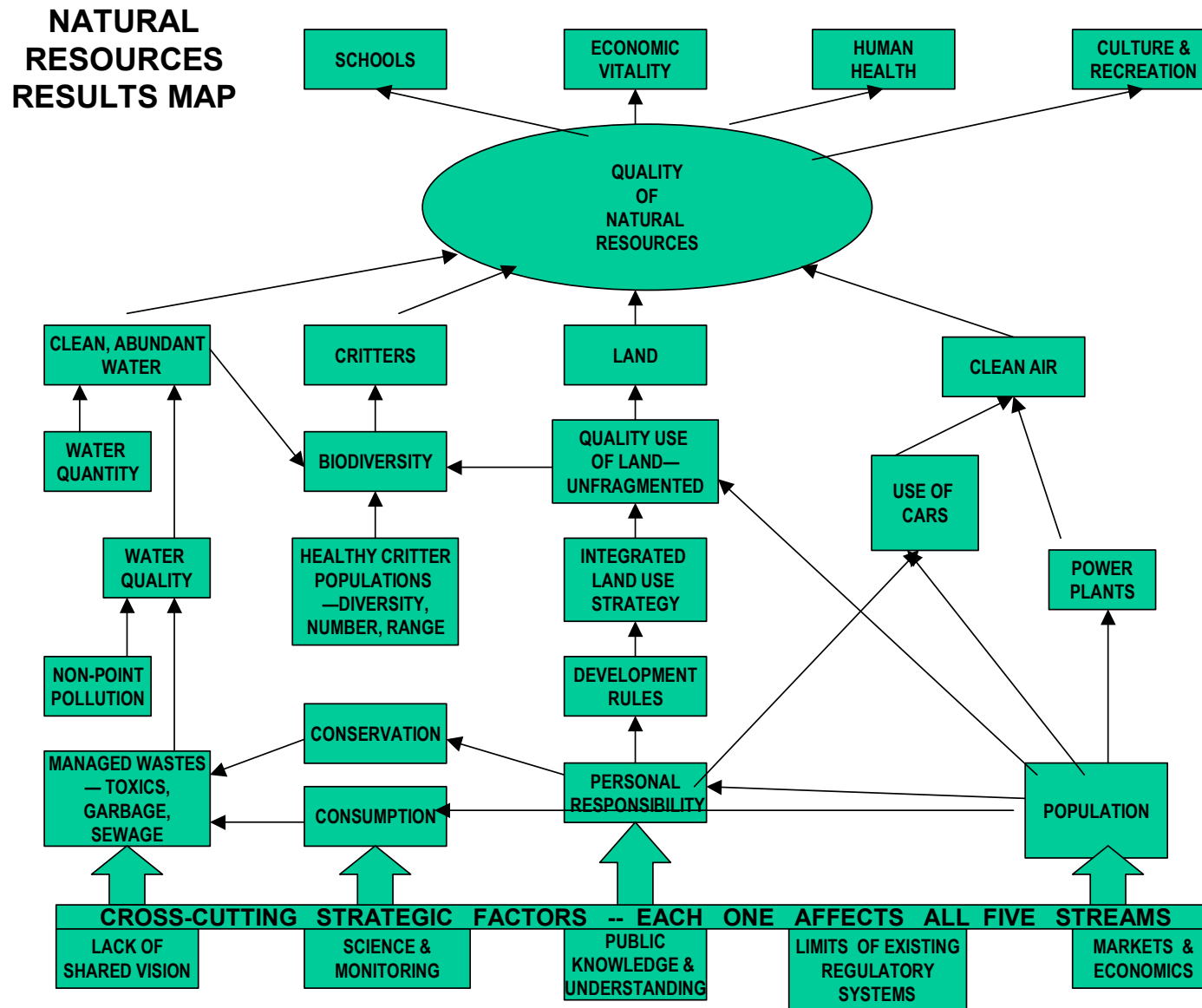
Indicators:

1. **Air:** Percentage of days with healthy air throughout the state.
2. **Water:** Percentage of water bodies and sources that meet water quality standards — fishable, drinkable, swimmable.
3. **Land:** Rate of increase in land converted to urban uses.
4. **Fish, Wildlife and Plants:** Percentage of known fish stocks, and wildlife populations with trends that are stable or improving.

Key trends:

- Since 1980 Washington's Population has increased by 50 percent from 4 million to over 6 million.
- Only 46% of Washington's rivers and streams assessed by the Department of Ecology meet all federal water quality standards.
- The Washington Fish and Wildlife Commission has listed 43 species as endangered (26), threatened (11) or sensitive (6). One hundred and three species are considered candidates for listing. Of those species listed 22 also appear on the federal endangered species list.

Map of key factor



Key Innovations/ Changes

- Doubles money for preservation of land, water.
- Major regulatory reform, aimed at making it easier to comply while keeping high levels of compliance (e.g. clear standards, expanded technical assistance, reporting of compliance information etc.)
- Invests in the use of data that's captured today to drive better decisions
- Invest in grants to local governments for planning and implementation of the Growth Management Act, Shoreline Management Act and other natural resource protection laws.
- Continues and expands support and technical assistance for local watershed and salmon recovery planning efforts.
- Supports major infrastructure investments for water quality, quantity, water storage, and drinking water as well as improvements to state fish hatcheries and forest roads.

Innovations/ Trade-offs:

- Consolidates natural resources capital grant administration to improve targeting of resources to achieve statewide goals.
- Securitizes a portion of the Water Quality Account and Local Toxics Account to accelerate clean-up of the state's waters and hazardous substances.
- Sets a direction to sort specific dedicated funds into broader categories to drive additional results.
- Redirects some shoreline and flood management monies toward local land use efforts.
- Makes major enhancements in the operations and maintenance of state lands and recreation facilities as well as acquiring additional habitat lands.

Purchase Plan Summary

The major purchases selected to improving the quality of natural resources was divided into the following categories.

- **“Manage the Damage” (\$285 Million)** These purchases would concentrate on activities limiting or eliminating the harm to natural resources caused by human actions. Activities include reducing vehicle and industrial emissions, managing wastewater and stormwater discharges, solid waste disposal, protection of fish stocks and wildlife, as well as supporting land use planning and regulation under the Growth Management Act.
- **“Preserve and Restore Natural Systems” (\$844 Million)** Here activities concentrate upon preserving natural resources through land purchases and easements, restoring degraded habitat by correcting fish passage barriers, completing local watershed plans, establishing needed stream flows, and operating state fish hatcheries.
- **“Harvest the Value” (\$127 Million)** This includes efforts to realize social and economic benefits from natural resource management. These activities often benefit other results teams and include state trust land management, management of hunting and fishing, meeting obligations to Tribes, compliance with the Endangered Species Act and increasing the supply of usable water for agriculture and economic development.
- **Data to Drive Better Decisions (\$183 Million)** Good natural resource management requires good science and monitoring data. In addition to continuing existing monitoring efforts additional investments would be made to minimize data collection costs by increasing coordination as well as investing in critical water quantity and fish data gaps.
- **Regulatory Reform (\$185 Million)** Improving natural resource regulatory programs is critical to achieve environmental outcomes and reduce costs. While work is already underway in this area, natural resource agencies would review their regulatory programs and make changes to ensure permit predictability, timeliness, and fairness. Additional resources would also be added in areas critical to improve permit processing.
- **Public Knowledge and Education (\$7 Million)** Influencing the publics understanding and knowledge of their impacts on natural resources can significantly improve the quality of natural resources. Work would be undertaken to target specific audiences to achieve changes in behavior that would benefit natural resources.

Purchase Plan Summary

Result 9 Improve the Quality of Natural Resources

Key Strategies	Price
1. Manage the Damage	\$ 285,607,582
First Priority Ranking	
Prevent Violations of Air Quality Standards	\$ 4,496,442
Reduce Health and Environmental Threats from Motor Vehicle Emissions	\$ 5,925,994
Public Transportation - Statewide Commute Trip Reduction	\$ 5,531,759
Public Transportation - Transportation Demand Management (TDM)	\$ 3,645,119
Fish - Fish Management Division	\$ 30,329,762
Wildlife - Wildlife Diversity Division	\$ 4,673,800
Enforcement - Field Operations - Public	\$ 27,267,628
Habitat - Environmental Restoration	\$ 3,016,112
Floodplain Management	\$ 4,274,736
Waste Reduction and Recycling in Support of a Sustainable Future	\$ 5,391,092
Fire Suppression	\$ 16,952,000
Fire Control - Preparedness	\$ 14,776,900
Fire Regulation and Prevention	\$ 9,314,052
Camps	\$ 7,185,400
Camps Security	\$ 1,000,000
Fire Control - Training	\$ 5,127,800
Administration of Forest and Fish	\$ 8,448,000
Administer and Enforce Forest Practices Laws and Rules	\$ 10,992,000
Development and Maintain Information Systems	\$ 1,699,000
Habitat - Regional Habitat Operations	\$ 8,087,715
Shoreline Management	\$ 1,609,901
Habitat - Environmental Services	\$ 2,007,548
OCD LGD Growth Management	\$ 9,936,374
Plant Protection	\$ 8,183,634
Point Source Pollution Prevention and Management	\$ 15,609,938
Second Priority Ranking	
Habitat - Environmental Restoration	\$ 2,000,000
Floodplain Management	\$ (4,274,736)
Camps	\$ 1,300,000

Development and Maintain Information Systems	\$ 2,500,000
Shoreline Management	\$ (1,000,000)
Shoreline Management Grants to Locals	\$ 18,000,000
Habitat - Environmental Services	\$ 2,200,000
OCD LGD Growth Management	\$ 3,000,000
OCD GMA Update Grants	\$ 30,000,000
OCD Grants to Locals for GMA implementation and compliance	\$ 20,000,000
Public Transportation - Statewide Commute Trip Reduction	\$ 12,000,000
Public Transportation - Transportation Demand Management (TDM)	\$ 7,000,000

2. Preserve and Restore Natural Systems \$ 844,256,388

First Priority

Fish Hatcheries Division	\$ 40,268,305
Highway Construction-Environmental Retrofit (I4)	\$ 25,111,000
Wildlife - Lands Division	\$ 23,394,844
Natural Areas/ Natural Heritage	\$ 3,778,400
Clean the Worst Contaminated Sites First (Uplands)	\$ 11,254,849
Litter Control	\$ 6,032,951
Voluntary Cleanup Program (Toxics)	\$ 3,634,000
Waste Management (Hanford)	\$ 3,194,752
Aquatic Lands Enhancement Grants (Capital)	\$ 5,356,400
Administration of Outdoor Recreation, Habitat, and Salmon Restoration Investments (75%)	\$ 4,172,740
Financial Support of Local Government Efforts (Solid Waste)	\$ 4,790,676
Local Toxics Grants to Locals for Cleanup and Prevention (Capital)	\$ 45,000,000
Puget Sound Water Quality Action Team	\$ 5,108,000
Spill Response	\$ 14,270,495
Total Maximum Daily Loads (TMDLs) - Water Cleanup Plans	\$ 5,215,132
Worst First Cleanups (Aquatic) (Toxics)	\$ 3,819,374
Watershed Planning	\$ 12,493,281
Local Watershed Management	\$ 3,014,521
Water Pollution Control Revolving Account (Capital)	\$ 66,663,333
Centennial Clean Water Fund (Capital)	\$ 40,000,000
Water Quality Grant Program (Capital)	\$ 4,500,000
Dairy Nutrient Grant Program (Capital)	\$ 5,500,000

Financial Assistance (Water Quality)	\$ 4,478,691
Administration	\$ 44,974,653
Second Priority Ranking	
Lead Entity Funding	\$ 4,000,000
Regional Planning	\$ 7,000,000
Incentives to consolidate Watershed Planning and Salmon Recovery Planning	\$ 10,000,000
Consolidate Grant Administration	\$ (1,000,000)
Securitize Existing Revenue Sources	\$ (58,000,000)
Implement Eco Regional Planning	\$ 4,000,000
Stateland Stewardship	\$ 50,000,000
Local Watershed Management	\$ 1,500,000
Third Priority	
New Infrastructure Investments (Bond Debt Service)	\$ 100,000,000
Fifth Priority Funding	
Highway Construction-Environmental Retrofit (I4)	\$ 50,000,000
Clean the Worst Contaminated Sites First (Uplands)	\$ 30,000,000
Local Toxics Grants to Locals for Cleanup and Prevention (Capital)	\$ 25,000,000
Sixth Priority	
Legacy Trust	\$ 50,000,000
Eighth Priority	
Purchase Additional Habitat Lands	\$ 50,000,000
Highway Construction-Environmental Retrofit (I4)	\$ 50,000,000
Ninth Priority	
Purchase Additional Habitat Lands	\$ 50,000,000
 3. Harvest the Value	 \$ 126,507,597
Wildlife - Game Division	\$ 4,895,027
Product Sales Section	\$ 25,317,000
Silviculture Program	\$ 10,777,500
Leasing Section	\$ 7,926,500
Webster Nursery	\$ 4,170,700
Aquatics - Use Authorization	\$ 4,139,000
Engineering - Forest Roads	\$ 15,601,400
Land Bank (Capital)	\$ 5,000,000
Process Water Rights Applications	\$ 11,087,789
Support Activities	\$ 4,543,939
Administration	\$ 12,446,145

4. Data to Drive Better Decisions	\$ 183,163,266
Measure Air Pollution Levels and Emissions	\$ 3,864,440
Wildlife - Science Division	\$ 3,449,142
Fish - Science Division	\$ 15,563,419
Regulating and Monitoring Pollution (Solid Waste)	\$ 6,518,066
Scientific Support/HCP Implementation	\$ 5,865,500
Data Stewardship	\$ 4,167,900
Improve Access to Meaningful Information and Quality Data	\$ 3,257,672
Directed Environmental Studies	\$ 5,483,378
Environmental Monitoring	\$ 4,868,000
Administration	\$ 6,782,034
Second Priority	
Institutionalize Policy Setting	\$ 500,000
Transparency and Data Accessibility	\$ 6,000,000
Account for the State's Investment	\$ 7,000,000
Fill In Data Gaps	\$ 20,000,000
Sixth Priority	
Account for the State's Investment	\$ 20,000,000
Fill In Data Gaps	\$ 33,500,000
Seventh Priority	
Account for the State's Investment	\$ 29,000,000
 5. Regulatory Reform	 \$ 185,245,000
Second Priority	
Industrial Partnerships to Streamline and Eliminate Barriers to Compliance	\$ 500,000
Establish Performance Based Expectations for Regulation	\$ 1,000,000
Educate Compliers through Technical Assistance	\$ 19,450,000
Make Compliance Easy	\$ 2,000,000
Make Quality of Service to Compliers Consequential	\$ 1,000,000
Report Compliance Information	\$ 7,500,000
Public Consequences and Rewards for Compliance	\$ 1,000,000
Develop Market and Tax Incentives to Encourage Compliance	\$ 10,000,000
Efficiencies in Natural Resource Enforcement	\$ 1,000,000

Increase Regulatory Backstop	\$ 19,500,000
Administration Component	\$ 6,295,000
Fourth Priority	
Develop Market and Tax Incentives to Encourage Compliance	\$ 90,000,000
Administration Component	\$ 1,000,000
Seventh Priority	
Educate Compliers through Technical Assistance (Technology Investments through Higher Education)	\$ 25,000,000
 6. Public Knowledge and Education	 \$ 6,694,758
Current Education Activities	\$ 3,444,758
Second Priority	
Cross Agency Strategic Plan	\$ 500,000
Promote Volunteers	\$ 750,000
Invest in Public Education through media and materials	\$ 2,000,000

10. Improve cultural and recreational opportunities throughout the State.

Result: Improve cultural and recreational opportunities throughout the state.

Allocation: Total \$1,882 million State Share \$188 million

Indicators:

1. Availability of and access to cultural and recreational opportunities throughout the state.
2. Participation in cultural and recreational opportunities throughout the state.
3. Satisfaction with cultural and recreational opportunities throughout the state.

Key Trends:

- Resources and facilities are deteriorating. Future repair or replacement costs will be higher than current maintenance or repair costs.
- Opportunities for preservation of resources are diminishing.
- Population growth and demographic shifts are affecting use and availability of resources.
- There is increasing demand for cultural and recreational opportunities overall, as well as for diverse opportunities.
- Demand for close proximity outdoor experiences is increasing.
- There is increasing participation in organized field sports, as well as in linear activities, e.g. hiking, biking, walking.
- Visitation to museums and historic places is increasing.
- Nature related activities, e.g. bird watching, are increasing.
- Participation costs are increasing.
- People have higher expectations for the quality of the experience.
- People expect more value for their cultural and recreational dollar.
- Crowding, user conflicts, and safety issues are growing concerns that affect the quality of the experience.
- Use of technology for reservations and participation is increasing.

Map of key factors

End Result: Improve cultural and recreational opportunities throughout the State.

INDICATOR

**Increased
Availability/Access**

Increased Participation

Increased Satisfaction

**Provide Stewardship to
Meet Standards**

Make Access Easy

**Strategically Target
Development**

**Ensure Quality
Experience**

Measure Satisfaction

STRATEGIES

(Strategies apply to multiple indicators)

Key Innovations/ Changes

Major innovations or changes from current practice.

- Maintain cultural and recreational resources to standards, protecting the state's investment. State land maintenance should be done in conjunction with NR Results Team's purchases.
- Survey citizens to determine expectations for number, type and quality of opportunities, as well as satisfaction level.
- Develop a strategic plan to integrate state and local needs. As part of this, conduct an inventory of resources and a market analysis.
- Strategically enhance interpretive and educational programming.
- Develop a system to simplify user permits and admissions.
- Coordinate marketing for all recreational and cultural opportunities and coordinate with tourism to maximize awareness and reduce costs. Target Washington residents.
- Increase user awareness through a unified information system about what recreational and cultural opportunities exist and how to access them.

Purchase Plan Summary

Result: Improve cultural and recreational opportunities throughout the state.

Key Strategies: \$ 188 million

1. Strategy 1 - Provide Stewardship to meet standards of quality and need - \$160 million

Major purchase 1: Maintain system of state parks to agency standards

Major purchase 2: Maintain the condition of other state owned cultural and recreational resources

Major purchase 3: Support non-state owned cultural and recreational resources

2. Strategy 2 - Make Access Easy and Affordable - \$8 million

Major purchase 4: Subsidize cultural and recreational opportunities

Major purchase 5: Education in schools to increase awareness and appreciation

Major purchase 6: Remove barriers to access

Major purchase 7: Coordinated marketing

Major purchase 8: Coordinated information system about recreational and cultural resources or opportunities

Major purchase 9: System to simplify permits and admissions

3. Strategy 3 - Strategically Target Development - \$2 million

Major purchase 10: Develop strategic plan to integrate state and local needs,

Major purchase 11: Develop new and diverse opportunities, and alignment with community needs

4. Strategy 4 - Ensure Quality Experience - \$17.7 million

Major purchase 12: Public health and safety

Major purchase 13: Management to reduce over-crowding and conflicting uses

Major purchase 14: Preservation of critical characteristics of the resource, including traditional use areas/life ways

Major purchase 15: Educational and interpretive programming

5. Strategy 5- Measure satisfaction - \$0.5 million

Major purchase 16: Purchase customer survey (site or program specific and statewide)

Activities purchased by other results teams

Activity	Result	Price
Adult Education: lectures, concerts, cultural opportunities	Participation in cultural activities	\$5 M
Land Management (Fish and Wildlife, DNR)	Protection of scenic views and land resources that are used for recreational purposes	\$27.3 M
Stewardship of public lands	Enhanced stewardship of state owned lands, including state parks, fish and wildlife areas and natural areas	\$100 M
Wildlife Diversity and Science	Maintenance of wildlife recreation opportunities	\$10 M
Downtown revitalization	Protection of aesthetic and historic quality of downtowns, enhanced access to downtown cultural sites	\$365,000
Maintenance of historical state buildings	Preserve investment in capital campus historic buildings	\$5 M
Campus tours, visitor services	Access to historically and politically significant buildings	\$750,000
Growth management	Protection of cultural and recreational areas	\$3.2 M
Tourism Development	Awareness of cultural and recreational opportunities	\$1 M.
Fish science, habitat and shellfish activities	Retention of sports fishing opportunities	\$32.5 M
Fish and Wildlife enforcement	Protection of the resources so they are available to those who buy licenses.	\$27 M
Regulation and protection of the Columbia River Gorge	Protection of scenic area	\$1.5 M
Purchase habitat lands	Increased wildlife viewing and other outdoor recreational opportunities	\$100 M

Expenditure Principles and Priorities

The Cultural and Recreational Opportunities Results Team identified a list of principles that could be used to guide expenditures and, if necessary, reductions in these times of limited resources.

- Protect valuable public investment and guard against costly deterioration by preserving and conserving existing recreational and cultural resources at or above current standards.
- Concentrate investments in existing 1) high impact, high use state parks and other state-owned recreational sites; 2) unique and irreplaceable collections; 3) protection of sensitive archaeological and historical sites and resources; and, 4) capacity to deliver diverse cultural and recreational opportunities.
- Invest in the quality of the experience rather than the quantity of opportunities.
- Maintain public health and safety of resources.
- Reward self-supporting funding approaches without significantly limiting access.
- Increase incentives for shared costs with other governments, private and nonprofit interests; loans over grants; funding in exchange for inventory and satisfaction data; and alternative service delivery models, e.g. managed competition, joint resource management, etc.
- Invest in the capacity to survey, inventory, conduct market analyses, and plan purchases identified in the purchase plan.

Appendices

- A. Tools for Results
- B. Enterprise-wide Strategy

Appendix A

Tools for Results

In moving to a results orientation managers frequently feel themselves constrained by rules, procedures, assumptions, or “the way we’ve always done it.” Sometimes, they constrain themselves – through understandable pride and a felt need to defend the practices and people within their purview. The following tools or strategies are intended challenge, support and guide managers as they consider anew how to deliver their assigned result(s) at their allocated price.

1. Buy from across the whole enterprise. Means to achieve results are not limited to any one department, agency, program or level of government. The best ways to achieve a result may be found in unexpected places.

Results Teams have been assigned resources with which they are expected to “purchase” activities that will deliver their assigned result(s). Teams should look across the entire state and local enterprise to choose those activities that are best suited to achieving the desired outcome within the resources available.

2. Clear the decks. Activities that are not central to the government’s core purposes or results or are no longer valuable to citizens should be eliminated. Divesting will almost certainly mean disruption, but in return, governments will have resources they can invest in results that matter more to citizens. The activity inventory and ranking provides a good foundation for this work.

Teams should identify activities to discontinue because they do not contribute directly to achieving the assigned result(s).

3. Make services accountable to their customers. No one is in a better place to judge the value of a service than those who use it. We can make services accountable to customers (and therefore of higher value) by:

- Giving customers **choices** about their services and making sure that the money follows the customers. This creates competition between service providers for the customers’ business. When school choice works this way, for example, school administrators begin to pay very close attention to what parents want.
- Requiring that governments post service **standards** and provide customers a rebate or other **redress** if they don’t live up to them. That’s how it works today when you apply for a passport. They either get it to you on time or you get your money back. The result: delighted customers who get passports much faster than they ever thought possible.
- Creating **customer boards** to provide direction to service providers. The Minnesota Department of Administration used a customer board to help it run the state’s internal telecommunications service.
- Making it possible for **customers to serve themselves** through service vouchers or e-government. Such services give customers control over the content, time and convenience of the services they want. Dakota County in Minnesota gave families of developmentally disabled children the ability to manage the purchase of social services

for themselves. Catawba County, NC recently launched an internet site where citizens can track permits they have applied for. In the future, the site is to be expanded to allow citizens to apply for permits, pay for them, and schedule inspections online. These kinds of self-service options add value without adding cost.

Teams should identify how they will make customers powerful in achieving the results that they value.

4. Make performance consequential. When there are no consequences (rewards or sanctions) for performance, the results are likely to be “good enough for government work,” but never as “good as possible.” The tools to get to excellence include:

- **Enterprise management.** Make service organizations that can sell their services “earn” their budgets by selling to citizens or other agencies – often in competition with other public or private providers. Suddenly, survival depends on how well they please their customers, and at what price. Many governments have turned their maintenance, printing, training, data processing and other internal service operations into competitive enterprises, for example. Minnesota, Milwaukee, the Edmonton school district, even Australia and the United Kingdom have used this approach. It can save 10 percent a year for several years.
- **Managed competition.** Use competitive contracting to make public agencies compete with other agencies or private firms to serve public needs. When public agencies are required to compete they unleash the creative potential of their employees, because the incentives for success are so direct. Indianapolis has used such competitions to improve services and lower costs by an average of 25 percent. The Milwaukee area’s wastewater treatment agency used this tool to cut its costs for operating its plant and field operations by more than 30 percent.
- **Performance management.** Require every agency to set performance targets and then measure and report results against those targets. Doing so focuses attention on what matters most – results. To strengthen the focus, add rewards for success – both financial and psychological – as well as penalties for poor performance. For example, use “gainsharing” to reward teams that cut costs while maintaining or improving service quality. In the late 90s, managers at the Seattle area’s wastewater treatment operation agreed to let employees have half the savings they generated for the department. Over four years, total savings were \$2.5 million, with no reduction in service levels or effluent quality.

(It takes several years to develop an effective performance management system, and it requires serious investment. The first two approaches offer faster results and far greater savings; hence they are more useful during a fiscal crisis.)

Teams should develop mechanisms by which delivering the intended result(s) can be made consequential.

5. Increase flexibility in return for accountability. In exchange for performance accountability, give programs and their managers flexibility in how services are delivered. Tying programs up in red tape while making them accountable for performance is a set up for

failure. Give any organization willing to commit itself to specific results flexibility in how it hires, pays, purchases, invests and reports. The Office of Student Financial Assistance in the U.S. Department of Education is now operating in just this way. It is a “Performance Based Organization,” with both the accountability and flexibility it needs to succeed. Its performance has improved dramatically as a result.

A flexible performance agreement (FPA) is one way to assure accountability while increasing flexibility. An FPA is a written agreement that articulates the overseeing organization’s expectations, the service organization’s goals and freedoms, how performance will be reported, and how that information will be used to trigger consequences, either positive or negative.

Teams should develop mechanisms to increase flexibility in delivering results (how it is done) in return for increased accountability.

6. Cut the cost of mistrust. The main purpose of 20-30 percent of all government spending is to control the other 70-80 percent or the actions of citizens, businesses and other organizations. Much of that spending is based on the belief that most of us, if given the opportunity, will lie, cheat and steal. This level of mistrust is not only expensive, it undermines performance. For example, in special education today most teachers spend up to 50 percent of their time filling out forms to demonstrate compliance with federal and state rules and regulations. If we could cut this cost of mistrust and find less expensive ways to win compliance, we could give our schools a massive infusion of what they need most – time to teach.

Montgomery County, Maryland has given its departments authority to pay invoices in amounts up to \$5,000 rather than sending them to central accounts payable. This created flexibility for departments and allowed a more than 50 percent reduction in the accounts payable staff. Departments are still accountable for their actions, but at a much lower cost.

A strategy for winning not just enforcing compliance can lead to higher compliance at a much lower cost.

Teams should identify how they will use “winning” compliance to deliver results at a lower cost.

7. Get a return on capital investments. When operating budgets are tight, many governments turn to their capital budgets (supported by bonding) to deliver good news to their constituents. For a small increase in debt service (in the operating budget), governments can launch relatively large expenditures for roads, bridges, buildings and technology. Among the top priorities for capital should be investments designed specifically to make services better, faster and cheaper. Proposed investments that produce the highest return in service quality or cost savings should take precedence over those that produce a lower return.

Teams that deal with the use of “investment” resources should develop mechanisms for assuring that every investment generates results (a return) that justify the commitment of resources.

8. Target subsidies. For state governments in particular, much spending really involves transfers of resources from one set of taxpayers to another. Subsidies exist when those who

benefit from a service or activity are not those who pay for it. Sometimes this is done directly through assistance payments or tax credits. Other transfers are indirect, like the way most states subsidize college students by subsidizing the schools they attend. In both cases, however, these subsidies are often not targeted on those who truly need them and/or not targeted on producing high value results. By targeting subsidies we can save money and make sure that the money we do spend is focused on results we care about.

Teams should identify the subsidies within activities AND decide whether they are targeted adequately to produce the expected result(s).

9. Consolidate. In many ways this is the favorite of politicians. Surely there are savings to be had from consolidating multiple agencies into super-agencies, or in consolidating smaller jurisdictions into larger ones or multiple service systems into one-stop centers. If all consolidation means is moving boxes around on an organizational chart, however, it is likely to result in many shotgun weddings, with few real savings and many new costs. Consolidations most likely to produce savings or improve results include:

- **Consolidating missions.** Often when organizations are combined they bring with them their various missions. The result is a lack of focus, if not outright conflict between missions. Consolidations work best when the resulting organization has a clear, focused mission and set of clear, limited performance targets.
- **Consolidating funding streams.** Far more powerful than consolidating organizations is consolidating their funding streams. Categorical funding leads inevitably to categorical -- and therefore complicated -- organizations. Consolidate the funding, focus it on clear, high priority outcomes, and use it to purchase those priority outcomes from whatever organizations can best produce them.
- **Consolidating “steering” authority.** Most government organizations have both policy (steering) responsibilities and operating (rowing) responsibilities. These are not the same! Steering functions focus on doing the right things, while rowing functions focus on doing them right. By separating these roles, both can be performed better. Once separated, steering can be consolidated to assure that policy is integrated and mutually reinforcing across a government unit. Using consolidated funding streams, steering organizations can “purchase” key results from those who row.
- **Consolidating “rowing.”** Operating units that do similar kinds of work are good candidates for consolidation. Examples include the unit within a public works department that collects water fees and a similar unit in finance or treasury that collects taxes, or the units within highway and parks departments that both do grass cutting. In such cases the similarity of the work offers consolidation opportunities.
- **Consolidating layers.** In one urban county there were eight layers of management between the elected county board and the front line employees. Layers may have been necessary when communication was cumbersome and employees were poorly educated. But with today’s technology and workforce the justification for so many layers is gone. Consolidating layers can save money. It can also improve service by delegating more authority to those closest to the customers being served.
- **Consolidating access.** Much of what government does involves the collection and processing of information. Accessing what the government knows has often been cumbersome and expensive for those inside and outside of government units.

Technology provides the opportunity to consolidate access -- and in so doing to reduce costs and improve service.

- **Consolidating “back room” activities.** Many organizations share common back room functions e.g. phone answering, purchasing, data storage – even though the activities that directly touch citizens are very different. In these cases there is an opportunity to create a common “back room” to more effectively support citizens service.

Teams should identify which activities should be consolidated in whole or in part to produce the assigned result(s).

10. Look at the whole budget – not just General Fund. The general fund is only 40% of the total price of government and 65% of the state “all funds budget.” Anything that big is important, but ignoring the rest is a big mistake. And yet that is the norm in state budgeting today.

Teams should identify how their total resources will be put to work to achieve the assigned result(s).

11. Every entitlement connected to an obligation. Much of any state government’s budget is committed to aid payments to other governments, institutions or individuals. Often these payments are treated as entitlements by those who receive them without explicit obligations expected in return. The recent reform of “welfare” has made clear that adding obligations to entitlements can be a winning formula.

Teams should identify for any entitlement or aid activity how those payments will be explicitly connected to achieving the assigned result(s).

Appendix B

Enterprise wide strategies

Internal services

Staff agency services can be conceived as falling into one of four broad categories:

1. ***Enterprise Services*** are "businesses" owned and operated by an agency or department. They are subject to full competition from other public or private organizations. They are funded and managed like a business.
2. ***Utility Services*** are centralized monopolies run by an agency or department for the benefit of customers that consume those services. The funding and management arrangements are analogous to those used in public utilities or cooperatives.
3. ***Compliance Services*** are those that work to achieve compliance with laws rules, norms and other expectations. As such, compliance meets the collective needs of all citizens and are funded by appropriations from the General Fund.
4. ***Leadership Services*** work to shape and define the future collective interests of citizens and, in some cases, provide services to individuals. Leadership services are funded by appropriations from the General Fund.

The table that follows outlines the key differences among these service types.

Type	Fund	Competition	Price	Accountability	Oversight
Enterprise	Enterprise	Yes – marketplace service to individual agencies	Set at competitive level	To customers – who can go elsewhere	Business plan – monthly or quarterly performance
Utility	Revolving	No – monopoly service to individual agencies	Rate – set by “coop” board (agencies), reviewed by OFM	To customer – owners (agencies) who control through their Board	Business plan – monthly or quarterly performance
Compliance	General	No – service to the whole enterprise	Appropriation	To elected officials	Budget and performance review
Leadership	General	No – service to the whole enterprise	Appropriation	To elected officials	Budget and performance review

Recommendation:

Because many of these approaches are already used in whole or part inside Washington state government, it is recommended:

- Categorize each current internal service by appropriate type by no later than June 30, 2003
- Move activities, as appropriate, to enterprise status
- Use the major planning effort underway to improve the human resource and payroll system as a timely opportunity to prototype the use of a co-op board of agency-owners to determine services, set rates and foster accountability.